

U. S. DEPARTMENT OF LABOR  
U. S. EMPLOYMENT SERVICE

REPORT *of* PROCEEDINGS *of*  
*The* NATIONAL WAR LABOR  
CONFERENCE

®

WASHINGTON  
JUNE 13-15, 1918



WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1918

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U. S. DEPARTMENT OF LABOR  
BUREAU OF LABOR RELATIONS

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## REPORT OF PROCEEDINGS OF THE NATIONAL WAR LABOR CONFERENCE

HELD UNDER THE AUSPICES OF THE UNITED STATES EMPLOYMENT SERVICE,  
DEPARTMENT OF LABOR, JUNE 13 TO 15, 1918, INCLUSIVE, AT WASHINGTON, D. C.

The sessions were held in the former national quarters of the Public Service Reserve, 1712 I Street.

The conferees included the Director General of the United States Employment Service and the National Director of the Public Service Reserve, the assistant directors and the officers of their administrative staffs, the district superintendents and State directors of the United States Employment Service and the State directors of the Public Service Reserve, or representatives.

Harold E. Stone, chief of the Collegiate Section of the Public Service Reserve and of the Common-Labor Section of the Employment Service, was chairman of the Conference Committee on Arrangements.

J. L. McGrew, Chief of the Correspondence and Statistics Section of the Employment Service, was secretary of the conference.

The stenographic report of the conference proceedings was made by Mrs. Laura B. Taylor, Miss Aura I. Monroe, and Mrs. Bessie L. Hibbard.

### CONFEREES PRESENT.

Following were the conferees registered from outside of Washington:

H. W. Lewis, Smithville, Tex.  
Charles E. F. Gordon, Smithville, Tex.  
W. W. Brown, Kansas City, Mo.  
H. H. Buskirk, Indianapolis, Ind.  
John W. Reynolds, Cleveland, Ohio.  
L. B. Spaun, Charleston, W. Va.  
L. H. Patten, Bismarck, N. Dak.  
Ed. P. Saylor, Cheyenne, Wyo.  
George J. Kleffner, Omaha, Nebr.  
Roady Kenehan, Denver, Colo.  
W. G. Sprague, Little Rock, Ark.  
J. R. O'Leary, New York, N. Y.  
Robert Gamble, Jacksonville, Fla.  
J. P. Hardy, Fargo, N. Dak.  
E. A. Burlingame, Providence, R. I.  
Mark L. Crawford, Chicago, Ill.  
J. F. Lynn, Detroit, Mich.  
P. L. Prentis, Chicago, Ill.  
Charles McCaffree, Pierre, S. Dak.  
Claude E. Connally, Oklahoma City, Okla.  
Ray Rushton, Montgomery, Ala.  
Jonathan H. Wagner, Santa Fe, N. Mex.  
Samuel B. Montgomery, Charleston, W. Va.  
Wellington Patrick, Lexington, Ky.

James O'Riley, Minneapolis, Minn.  
Lawrence Wood, Seattle, Wash.  
Sam L. King, Nashville, Tenn.  
Wilfred F. Smith, Portland, Oreg.  
W. T. Boyce, San Francisco, Cal.  
Edgar C. Snyder, Seattle, Wash.  
A. A. Knapp, Topeka, Kans.  
George W. Vallery, Denver, Colo.  
Clarence E. Carr, Concord, N. H.  
George P. Hambrecht, Madison, Wis.  
Eswald Pettet, Madison, Wis.  
Joseph T. Ware, Memphis, Tenn.  
Arthur P. Will, Sacramento, Cal.  
C. S. Hickborn, Augusta, Me.  
Leo A. Korper, Hartford, Conn.  
R. W. Budd, Waterbury, Conn.  
T. D. Bland, Rocky Mount, N. C.  
Robert W. Simonds, Montpelier, Vt.  
Scott Leavitt, Great Falls, Mont.  
H. M. Stanley, Atlanta, Ga.  
F. J. Moran, Salt Lake City, Utah.  
Enos K. Sawyer, Franklin, N. H.  
W. C. De Miller, Indianapolis, Ind.  
Cliff Williams, Meridian, Miss.  
G. B. Travis, Meridian, Miss.  
Hans A. M. Jacobson, New Orleans, La.  
H. L. J. Barnes, Meridian, Miss.  
George B. Tarrant, Birmingham, Ala.  
Walter A. Dopson, Jacksonville, Fla.  
Ed Self, Meridian, Miss.  
Thomas J. Croaff, Phoenix, Ariz.  
Ralp Izard, Richmond, Va.  
John K. Shaw, Baltimore, Md.  
M. J. Kerr, St. Anthony, Idaho.  
H. A. Stevens, Boston, Mass.  
A. L. Urick, Des Moines, Iowa.  
C. M. Davis, Des Moines, Iowa.  
H. J. Metcalf, Des Moines, Iowa.  
John C. Saylor, Wilmington, Del.  
A. G. Benkhart, Wilmington, Del.  
George J. Ramsey, Raleigh, N. C.  
William M. Leiserson, Toledo, Ohio.  
C. D. Mayhugh, Columbus, Ohio.  
C. C. Kavanagh, Little Rock, Ark.  
Joseph Spitz, Newark, N. J.  
Thomas J. Burns, Newark, N. J.  
Henry D. Sayer, New York, N. Y.  
C. Joe Owen, New Albany, Miss.  
C. F. Burns, Wilkes-Barre, Pa.  
B. B. Keating, Little Rock, Ark.  
Ben D. Brickhouse, Little Rock, Ark.  
Edward F. McGrady, Boston, Mass.  
H. L. Tilghman, Columbia, S. C.  
F. H. Larned, Indianapolis, Ind.  
E. C. Felton, Philadelphia, Pa.  
John C. Frazee, Philadelphia, Pa.  
Louis T. Bryant, Atlantic City, N. J.  
A. J. Brantingham, Seattle, Wash.  
Robert Moran, Seattle, Wash.  
C. C. Carson, Jefferson City, Mo.  
George E. Norman, Lincoln, Nebr.  
Frank A. Crippin, Baton Rouge, La.  
William Banks, Columbia, S. C.  
George W. McCree, St. Paul, Minn.  
J. M. Sullivan, Detroit, Mich.  
Hugo Koch, St. Paul, Minn.  
Charles S. Knight, Reno, Nev.



**THURSDAY, JUNE 13.**

The conference was called to order at 2.15 p. m. by John B. Densmore, Director General of the United States Employment Service, who welcomed the conferees and introduced the first speaker, Hon. William B. Wilson, Secretary of Labor, as follows:

I am personally very pleased to welcome you to this conference, personally and officially. I hope that during the next two or three days our deliberations and discussions will be mutually beneficial. I am very happy just now to introduce to some of you who do not know him and to present to you who do know him the man who is responsible for the project upon which we are all working—the Secretary of Labor, the Hon. William B. Wilson.

**ADDRESS BY HON. WILLIAM B. WILSON, SECRETARY OF LABOR.**

DIRECTOR GENERAL AND GENTLEMEN: To me has been assigned the double pleasure of welcoming you to the city, which is the directorate center of the war activities of the Nation, and of conveying to you the thanks of the Government and my personal thanks for the splendid service you have rendered and are rendering in the mobilization of labor for the production of material for the prosecution of the war. I say that it is a double pleasure that has thus been assigned to me. You have been engaged and are engaged in one of the most important functions in connection with war activities.

In the years gone by when international conflict arose it was nothing unusual for the Army to subsist upon the country in which it was campaigning, receiving but a comparatively small amount of supplies from the munition factories at home. That has all been changed. No army is now able to maintain itself upon the country in which it is operating. It has been variously estimated—and I do not think one can accurately state—that it requires anywhere from 6 to 10 workers in the rear to sustain each soldier in the trenches. Consequently the mobilization of labor, the organization of labor, has become as important a factor in military operations as the mobilization and organization of an army.

In our normal activities we engage in the production of many things that are more or less luxuries—many things that in the course of time we come to look upon as being necessities which in the stress of circumstances incident to war we are compelled to look upon as luxuries, and we class the production of these luxuries as nonessential.

In the working of mobilized labor, in movement of workmen from one line of industry to another line of industry, care must be exercised that you do not take them from classes of labor that are essential to place them in other classes of labor that are no more essential, and that in taking them from the nonessential industries there is the least possible disturbance of normal activities. So that in addition to your having a great task to perform you have also a delicate task which requires the exercise of great discretion.

**CAUSE OF MOVEMENTS OF LABOR.**

The movement of workers from one class of industry to another class of industry can not take place purely upon the basis of inducements to the workers to move without destroying the unity of your activities. One of the great difficulties that we have had to contend with during the period of the war has been the bidding, not only of one governmental department against another governmental department but of one private employer engaged on governmental contracts against other private employers engaged on similar contracts, for the use, particularly, of the highly skilled labor. Such bidding has not resulted in making available for us any greater amount of labor; it has simply resulted in creating a disturbed condition that reduces the efficiency of the worker, that tends to a greater turnover of labor than would normally be the case if the work was all being handled by one agency, and everyone knows that the turnover of labor reduces efficiency.

No one can reach the highest standard of efficiency in his labor—and I speak as a practical worker—no one can reach the highest standard of efficiency in



his labor until he has become familiar with his tools, his machine, with his shopmates, with his foreman, with the methods of routing the work, and with all of the hundred and one situations that go to make up the sum total of his shop surroundings. In addition to the loss of time incident to the finding of one man to take the place vacated by another, there is a loss of the actual efficiency of the workman while he is employed. It has been nothing unusual even in normal times to find establishments where the turnover of labor has been from 200 to 300 per cent per annum, and these times since the war began we have, on a few occasions at least, found conditions where there was as high as 100 per cent turnover of labor per week. That turnover of labor, reducing the efficiency as it does, has been principally due to the fact that there has been competition between private corporations and between Government departments for the amount of labor that was available.

Every student of economics knows that, even in normal times, the greater the efficiency of the workers the higher the resulting standard of labor. In our country we have had the highest standard of living that has existed anywhere on the globe for wage workers. That high standard of living for wage workers was not due to the fact that our employers are any more generous than any other employers; men do not engage in business from philanthropic motives. No matter how generous they may be, no matter how charitable to their employees, they engage in business for the returns they are able to secure out of the business. And so our employers, many of them generous, many of them charitable, have not themselves been responsible for the high standard of living existing in the United States. The reason for that high standard of living amongst wage workers has been that the American wage worker is the most productive wage worker in the world, notwithstanding all the advertising that has been given to the efficiency of the German machine.

#### DIVERGING POINTS OF INTERESTS.

It must be apparent even to the casual observer that if there is nothing produced there will be nothing to divide. If there is a large amount produced, then there is a large amount to divide, and the interests of the employer and employee do not diverge on the point of efficiency in production. Their interests diverge when it comes to the point of dividing that which is produced, and of course the wise thing to do when it comes to the point of divergence is to sit down around the council table and work the problem out on as nearly a correct and equitable basis as the circumstances surrounding the industry will permit.

Prior to the war we had an influx of immigrants amounting to above a million and a quarter annually. We absorbed them into our industrial population. They came here of their own volition. Most of them remained here; they not only remained, but they wrote to their friends in other countries to come here also. Why? Because, notwithstanding the dark spots existing in some of our great populous centers, our country offers the greatest opportunities for the wage workers and furnishes the highest standard of living for them that exists anywhere, and that highest standard of living, as I have said, was due to the fact that our workers were more productive than others. Now, if in normal times the employer and the employee have a mutual interest in securing the largest possible production, if the standard of living of the wage worker is dependent upon the general efficiency of the worker, how much more so is that the case in the period of war when we have taken millions of men from our industry, placed them in the camps and trenches where they are engaged in destruction rather than production, and where we have taken other millions of workers from the production of material for use and placed them in industries where they are producing material for destruction. The balance of the workers must either make good the deficit caused by taking these workers into the war industries, into the trenches and the camps, or we must submit to a lowering of the standards of living.

#### PRODUCTION AND EFFICIENCY.

The longer we can continue the maximum of production, the higher standard of efficiency we can attain in production, the longer we will be able to maintain our standard of living during the period of the contest. Your work is related to that. The movement of the skilled, the semiskilled, and the unskilled workmen from the places where their services are of the least value to the places where their services are of most value not only results in furnishing the mate-



rial necessary to equip our boys who are fighting for our rights and our liberties, but also furnishes the material that will for the longest possible period of time maintain our own standards of living at home.

So I say to you that you are engaged in a great work which I have but briefly outlined; in fact, have not outlined completely, simply touched the edges of. And I welcome you here to the city of Washington where you may consult together, where you may bring about a meeting of ideas that will develop your work to a greater state of perfection, and I thank you for the splendid work that you have already done.

Felix Frankfurter, assistant to the Secretary of Labor and chairman of the War Labor Policies Board, was the next speaker. His subject was "The Labor Policy of the United States." Mr. Frankfurter was introduced by the Director General as follows:

In the beginning of an independent organization of the Employment Service and at about that point of time the confusion with regard to labor in industry throughout the whole United States was perhaps the greatest. To do away with the confusion not only in lines of employment but in other lines affecting labor and production in all of the war industries and agriculture of the country, there was projected into the Department of Labor a plan of labor administration. The plan was comprehensive enough to cover every conceivable activity of labor engaged in the conduct of the war. The administration of the duties outlined in this labor administration plan have fallen to the particular board projected at that time and since organized.

The board is the organization that coordinates the activities of all the industrial and production departments of the Government and is made up of representatives of each one of the Government departments engaged in any industrial activity. The board has recently been organized and is just about to begin the functions that were outlined in the general labor administration plan several months ago. I think the Secretary of Labor was very happy in his selection of a chairman for that very important board. I do not know of any board or independent establishment or even any department of the Government that has a more important task than has the War Labor Policies Board.

#### ADDRESS BY FELIX FRANKFURTER, CHAIRMAN OF THE WAR LABOR POLICIES BOARD.

##### "The Labor Policy of the United States."

MR. CHAIRMAN AND GENTLEMEN: The topic that I see assigned to me—"The Labor Policy of the United States"—is at once the simplest of explanation and yet the most difficult, for I take it the labor policy of the United States in this time of war is nothing else than the problem of the fullest and most fruitful use of the man power of the Nation consistent with the maintenance of those standards of decent industrial life which we must preserve if we are to be honest in our professions of democracy. That means that we can no longer proceed half-heartedly. It means that we can no longer proceed merely according to honest intention. There is needed not merely goodness of heart but wisdom of head, for the questions with which we are dealing are the most complicated, the most delicate, and the most subtle of all questions raised by the war, because they involve the intangible human factors.

When the war first broke out, with the terrific new pressure that was put upon those production departments already in existence and upon those that were immediately created, it was natural that these various activities should proceed in their own independent way to deal with problems of industrial relations. And so it was that the War Department, the Navy Department, the Shipping Board, the Emergency Fleet, the Food, Fuel, and, subsequently, the Railroad Administrations should each independently establish agencies or organs for dealing with what we know as the labor problem. In addition and apart from these various activities of the Government there was the existing Department of Labor, whose sole function was to deal with industrial relations. In the course of time, and particularly as pressure on our man power became greater, it was found, as was expected, that each of these departments, pur-



suing its own independent way, was creating confusion by overlapping or conflicting jurisdiction. While the Department of Labor was making independent adjustments with some employers and some trade-unions it could not, and of necessity it could not, avoid creating a situation in which the Navy Department, the Shipping Board, the Fleet Corporation, and the Fuel Administration, all and each, were interested; and yet these various departments were not, or at least need not, have been consulted in the decision that was reached. And so in due time confusion resulted, not because of selfish interests, not because of profiteering, but because problems that called for comprehensive national treatment were dealt with in a fragmentary and mutilated way.

You remember the remark of Mr. Lloyd George after the Italian disaster some months ago, that the great failing of the allies has been that they deal in a separatist way with what should be dealt with in a comprehensive way. Particularism had distinguished in some respects the conduct of the allies, while centralization was the great advantage of the central powers. We have, I think, to a very large extent in the industrial field suffered from the same evil during the last year.

"NOT BUNGLED TOO BADLY."

Many of you I take it have been somewhat disheartened from time to time that it should have been so, but while one does not want to take comfort from the failings and inadequacies of his friends, I think it is some comfort at least that we have not bungled too badly, for one finds as I did in England recently that although they have been at it for nearly four years, many and most of the questions with which we now grapple, England is still grappling with, for the same reason that we are, namely, that both England and we have a certain tenderness, a certain gentleness, a certain respect for individualism that is an inbred Anglo-American institution, and, therefore, while Germany can move swiftly and ruthlessly, or swiftly because ruthlessly, we move more slowly, but finally victoriously, I think, and more surely.

But we can not afford to experiment with the central problem of administration any longer; we can not continue to draw on the future; and it was that realization that brought about the labor administration which is intrusted to Secretary Wilson.

The plan is very simple. One reads a great deal of loose and romantic talk in the papers about labor conscription and coercion, as though simple little words like that could upset and change settled conditions and the spirit of freedom of American labor and American industry. Nothing like that is contemplated, is wanted, is needed, or would be successful. All we have to do is to put the various pieces of industrial material now existing in the Government together and head it up to a unified central control. And so the plan to which Mr. Densmore has called attention is now in its initial stages of execution. The War and Navy Departments, the Food, Fuel, and Railroad Administrations, the Fleet Corporation, the Shipping Board, and the Department of Agriculture, all are involved in industrial processes. They all draw on man power. They all have plans more or less necessitous, depending upon the particular occasion and the particular time. Instead of each determining the question for itself, it is now agreed that all should determine the question for the Nation as a whole in common council. Each particular interest will be represented in order that a national decision may be reached. All those departments are interested, because of their needed use of the man power.

There is one other great agency of the Government which is essential to a wise labor policy, to wit, the War Industries Board. It is that board which in the President's language is the eye of the President in controlling industry. It is that board which controls, or at least gives license to control, the raw materials of the country. It gives us an economic leverage, and so the War Industries Board is represented in the War Labor Policies Board in order that the raw material of the country shall be used for war purposes, and with war purposes as the sole guiding consideration. The economic control of the War Industries Board, of the Fuel Administration, of the Railroad Administration, enables us to say to that rare person, the employer who is recalcitrant after he knows the needs of the country, "You shall not have the economic facilities of the country if you will not put your facilities to the country's needs." And so we have become a very happy family, happy because a common need and a common understanding guide our considerations.



I am glad to tell you that the great production chiefs of the Government—Mr. Schwab, Mr. Ryan, Mr. Hurley, Dr. Garfield, Mr. Hoover, and the rest—are all solidly behind this method of dealing with the labor questions presented by the war.

LABOR POLICY MEANS STABILITY.

The labor policy of the country means the creation of such stabilizing conditions that the man power of the Nation will be used to its fullest measure, and you, gentlemen, are the pivot of that policy, because the Employment Service organization implies that there is a centralized agency which shall mobilize and distribute the man power at the country's need. You are the pivot of our policy, because, unless we husband our man power, unless we know what we have and wisely distribute it where it is needed, there can be no labor policy and no stable labor conditions. The Secretary referred with great brevity to the horrible evils and the awful conditions prevailing and necessarily brought about by the changing industrial conditions of the war. A labor turnover of 4,000 in the city of Buffalo, such as the committee of Buffalo manufacturers put before me the other day, is an economic and social waste which under any conditions would be a shame to our country, but in time of war is a loss of efficiency which we simply can not afford to endure. I speak of Buffalo not to single it out, but because the committee of that city very generously came and said, "Here is a situation which we must remedy," and when I told them that the Government was keenly alive to that situation, not only in Buffalo but in Muscle Shoals and elsewhere throughout the country and that it proposed to remedy conditions by having an effective national employment service which should have exclusive control of mobilizing and distributing the man power of the Nation, they were deeply grateful.

Gen. Foch has said, and it is a key to his whole conduct of the war, "Anybody can give orders; the test of orders is their execution." Anybody can lay down on paper the lines of an ideal employment service. It is our duty to make it an employment service that will work.

In the first place, you are entitled to an employment service properly headed at Washington and adequately financed by Congress. You shall have it. Secondly, you are entitled to the full support of the authorities in Washington in your local efforts. But fundamental to all is an organization which recognizes what to me is the basic fact in industrial conditions in the United States as compared with those of England, namely, the size of the country. It is a great comfort and easy for the man in charge of the labor administration in England to sit in his office at Whitehall and with a few hours have in London everybody essential to reaching a decision on any problem. Geographic distance, to my mind, qualifies the consideration of our industrial problem in this country. The map tells the story and raises a problem which confronts neither the English nor the French nor the Italian nor the German authorities. It is the story of distance, a story that compels decentralization of the execution of the policy established in Washington, and you, gentlemen, are the carriers-out of the decentralized policy. I mean just this: That while we must and do have a national employment service, it must be a national employment service that articulates in the final analysis the unity of the State. You gentlemen in each State must help the national authority to the fullest of your power and wisdom, and we must work out tentatively, but firmly, a policy of effective coordination between State units and national organization, so that to each part the full authority and will of the Nation may speak. This means not only the organization of national authority operating through State units but the active functioning of employment offices. I am well aware that there have been thrown upon this service a strain and pressure almost overwhelming. Adjustments must be made both in business and in the national outlook, which take time; but we have not much time. Miracles have been worked in Washington since the great drive has commenced. Above all else we shall need the miracle of intensified effort, and I am sure we shall have that from you. These offices must function, because upon them depends the success of centralized labor recruiting. Mr. Densmore and others will later give in detail the policy that has been worked out by our board, behind which will be the full authority of the Government for the mobilization and distribution of labor. The execution of it rests finally and largely with you, and I am confident that the trust has been adequately placed.



## WAGE STANDARDIZATION NEXT.

When we shall have met this basic question of mobilization and distribution of labor, first unskilled and then skilled, we shall move on to other questions without which you can not work. In other words, the mobilization and distribution of labor implies also a question of hours, conditions, and, above all, a question of wages. We can not have labor stability while we have wage instability. We can not have harmony or direction in labor distribution if we have discord and anarchy in wage scales applicable to the same territories and the same class of work for the same Government. When once we enter upon the question of wages, we are entering upon the most delicate and most difficult of all so-called labor problems. We do not, and we should be fools if we thought for a moment we should, seek to impose our will upon the industry of the country. We shall work out these problems in council and reach our decision with a discerning mind and the cooperative understanding of industry, which means fit representatives of the workmen and fit representatives of the employers. We are proceeding cautiously, but surely, and I hope firmly, with that problem, and just as soon as the decisions are reached, representing as they will the thought of the Government, of labor, and of industrial leaders, decisions will be carried out with firmness and without compromise.

From wage conditions we shall go on to questions of hours, overtime, and the general standards of industry. As to that, the lines have already been laid down, not only in the series of legislation which this administration has put on the statute book, but the labor policy announced by the President as formulated by the Taft-Walsh Board gives us the guiding considerations which must govern all industry during the period of this war.

Technical questions, such as overtime, the eight-hour law as applied to Government work, etc., are all receiving the attention of qualified committees and, in due time, just as swiftly as a fair consideration of the delicate and multitudinous interests at stake permit, decisions will be reached. Roughly, gentlemen, you will see that the labor policy of the United States toward which we are tending is the enunciation of a lot of commonplaces. What we need above all else in this war is the translation of these commonplaces through action into truth, and by heartily cooperating step by step we shall translate these questions from oratorical utterances into vital institutions of real, living practices of the Government, and by their very peaceful solution not only contribute to the essential industrial efficiency which the war power abroad needs, but by the way we solve them and the courtesy and the fairness of the solution we shall give one more proof that this is indeed a country the guiding consideration of which, in war and in peace, is fairness and justice to the great mass of mankind.

Following Mr. Frankfurter's address, William E. Hall, National Director of the Public Service Reserve and the Boys' Working Reserve, took the chair, and in introducing the Director General, he said:

As Mr. Frankfurter has said, the chief thing in any plan is its execution and in the carrying out of a plan it is necessary to have at the head of the organization a real executive. As a business man coming down here to Washington to do war work, it refreshes me when I run up against a real executive—a man who does not pass the buck, a man who knows enough not to do all the work himself, or try to do it all, and such a man we have at the head of this service, the Director General of the United States Employment Service, the Hon. John B. Densmore.

**ADDRESS BY JOHN B. DENSMORE, DIRECTOR GENERAL OF THE  
UNITED STATES EMPLOYMENT SERVICE.**

**"How the Employment Service Must Grow to Accomplish Its Purpose."**

GENTLEMEN AND FELLOW WORKERS OF THE EMPLOYMENT SERVICE: Maybe some of you old-timers in the Government service who have associated with me for the last four or five years might recognize me after that description of Mr. Hall's, but I wouldn't recognize myself.



I hope I have the vision of what we are all trying to do, as Mr. Hall has stated. I am quite sure that I haven't the capacity that I wish I had, but, after all, it doesn't make so much difference whether I have the capacity, because I have very little to do up here. I have very little to do with the actual conduct of this wonderfully big and important service, and it has given me a great deal of satisfaction in the construction of the organization, in the brief time we have had to do it, to have in the field organization—to have as the staff officers of this industrial army, I might put it—such men as you, in whom I am quite sure every officer of the Government would have the same absolute confidence that I have. Many of you gentlemen I have never had the pleasure of meeting at all. I hope that after a time they will give us a little breathing spell here in Washington—and the time is not far off just now—so that we here in Washington will be able to get out in the field and become better acquainted with you and with the other fellows of your organizations back home. I want you to carry back when you go home, to the officers in all of your districts and all of your States, an expression of the satisfaction and gratification of the officers of this service for their splendid efforts in the organization and in the execution of the very difficult things that we have had to do. I wonder if many of you really appreciate—I wonder if you can have the vision of what has actually been accomplished by yourselves. I don't believe that you can.

You State directors of the Employment Service, you State directors of the Public Service Reserve, are quite naturally concerned with the affairs of your own State, your own jurisdiction. Those affairs are quite large enough to engage your entire attention. Your attention is engaged on the employment activities of one forty-eighth of the entire country.

We have been able to look at it throughout the whole Nation, and we have seen you all at work. We have seen your composite efforts, and, however astonishing it may seem to you in your own jurisdiction—the work that has been accomplished by the officers in the States and in the districts—you can get no idea at all of the bigness of the thing that has actually been accomplished, as we do up here, looking at the whole United States.

#### SERVICE REORGANIZED.

I think, to some of you who have not been acquainted with the Government service and such employment work as has been carried on by the Government heretofore, it might be interesting to know briefly something of what the Government's activities were. This country, characteristically, in its preparation several years ago for any emergency such as has come upon us, had no public employment system at all. At the time of our entrance into the war there was some little public employment service in existence; in two or three States there was some employment service, and in some of the States very excellent service; but there was no national plan and there couldn't be, simply because Congress had neglected to appropriate money to carry it on. The service was carried on as it was on a national scale by the immigration officers of the Department of Labor. It was just as efficient as it could possibly be, under the circumstances, doing the job without any money at all. At the time that the department fell heir to a very small appropriation—but some, at least—in January, there was launched a real movement for an Employment Service. There was very little to work on. When we were organized, placed upon an independent basis as far as finance was concerned, there was scarcely any place in the country to look for anyone skilled, experienced, or acquainted with public employment business. We were able to pick out 15 or 20 men who had Government experience and some acquaintance with employment business. Those men we sent out into the various States, and they started the ball rolling which has resulted in the establishment of the more than 400 employment offices which exist to-day throughout the whole United States.

Now, that job, considering the very short time, was sufficient in itself; the undertaking to establish a national employment service competent to handle the labor supply for the war industries of this country—the single job in itself was big enough; but we had two jobs to do at the same time. Had we been situated as was the Food Administration, the Fuel Administration, and many other independent organizations, we would have been as fortunate as they.

The Food Administration was organized. It was organized throughout the entire United States almost perfectly before the act creating it was passed. The machine for handling the food control was established before the job was

given to the machine to work. There is where our difficulty has been; but it has not been a difficulty that stopped us at all. I am very glad to say that due to the splendid efforts, energy, and enterprise of you gentlemen here and the others back home in your districts, there has been no obstacle that has got into your way that you have not removed, smashed, or run over. You had, and this service had, the remarkable job of constructing the employment agencies, the national system throughout the whole United States, and performing the job of supplying the labor with it at the same time, and you gentlemen seem to me to be the only mechanics, the only skilled mechanics, that I have ever seen who could perform this very remarkable feat of building a machine and operating it at the same time.

During the course of our conference we are going to have plenty of opportunity for discussion as to what the Employment Service must do to grow. The genial master of ceremonies who got up this program has assigned that subject to me. I am quite satisfied that any one of you gentlemen before me knows much more about that subject than I do. You have actually had the experience; you have had the practical experience; you have worked in employment offices; you have been in other employment offices in your district. All the time that this machine has been operating, and we have been extending it throughout the whole United States, I have never seen but three of our employment offices. You know more about what is necessary to be done, and the discussions that we are going to have after we get these formal necessary addresses disposed of are going to be the real profitable part of this conference.

I hope none of you have come to the conference without a large amount of criticism; I hope you all have lots of criticism; and I hope that you all will express that criticism, with only this qualification—that the criticism must be constructive. I think that the value we will get from your experiences and from your criticism will be immeasurable to this service.

#### LABOR ADMINISTRATION OUTLINED.

I would like to say something more about the Labor Administration plan, of which the Employment Service is a single unit, to some of you gentlemen who are not yet perfectly acquainted with the organization. The Labor Administration plan in the Department of Labor is projected in seven different bureaus, of which the Employment Service is one. The others are all financed now, recognized by Congress, and practically ready to operate. The seven bureaus handle every activity of labor in industry for the whole Government of the United States. I will give you just a single illustration—an illustration of our own service. As Mr. Frankfurter pointed out and the Secretary dwelt upon briefly, the greatest economic waste has been caused by the irresponsible labor agents for independent war industries bidding one against the other. That meant confusion in the employment problem. Each one of the departments having anything to do with industry had an employment problem, as they had one each of the seven problems which will be taken care of by the seven bureaus in the Labor Administration plan. Each department as an independent establishment had an employment problem, and each started out to solve its employment problem in its own way. Their own way was the setting up in each department of several, or a series, of employment establishments in the departments, permitting the war industries to do their own recruiting, with the result that the entire thing was conflicting, was overlapping, and produced the stealing of labor from one another, and the consequent bidding of labor, particularly common labor, up to an enormous price. Now, one of the functions of the War Labor Policies Board and the method by which it will operate, or the Employment Service will operate through it, is this: Each department still has its employment problem, but it will eventually cease to handle its own employment itself, and the employment problems of all the industrial departments will be brought together and will come into the United States Employment Service through the War Labor Policies Board as each of the other seven problems of each department will come in in turn, instead of each department handling that problem itself. In that manner the United States Employment Service will handle the entire labor supply problem for the Shipping Board, Railroad Administration, War, Navy, and Agriculture Departments. Included, of course, in the general plan mentioned by Mr. Frankfurter is the standardization of wages, without which you can have no single Government employment agency working satisfactorily.



## RESPONSIBILITY ON STATE OFFICERS.

There are a few things, and a very few things, that I want to say to you in regard to what you ought to do and what you must do with the employment offices in your district. In the first place, no one realizes more than I do that in many of the States our service is not efficient. It is not efficient because we have not had time to make it efficient; we have not had time to train the personnel; we have not had time to get the officers together and find out what this thing is all about—so that we all recognize, and I certainly do, many inefficient spots in the organization. I want you to all bear this in mind, however, that we have got a big job to do. We are going to get the whole job to do very soon, and it is the duty of you gentlemen responsible for your States and for your districts, to see to it that your State and your district is in perfect shape to handle this problem when we get it, so that this service will not fall down. I want you gentlemen to feel—in the organization, the establishment, and the conduct of the offices in your jurisdiction—that there will not be permitted any favoritism for any purpose, political or otherwise, in favor of any of the personnel in these establishments. Mr. Hall has stated to you that I have had some capacity for decentralizing the administration. Of course, it would be humanly impossible for any one to handle all of the problems alone. I would like very much to keep my fingers on all of the things and know just what is going on. That is not possible. The biggest decentralization that we have I want you to feel is in yourselves. I want every one of you to feel an independence, as much independence as is consistent with proper organization and execution of this job; I want you to feel so much independence of action that you will have a greater pride in what you are doing, and in getting it done in the best shape of any Government officer in any Government establishment. I want you to feel that you have the authority—and I feel perfectly sure that no one of you will abuse that authority—but I want you to feel that you have that authority and that independence, so that you will feel the responsibility, feel the personal pride in getting the equipment and the establishment in your jurisdiction better than any other jurisdiction in the whole service. In so far as it is possible to do so, we will give you everything that you need in the matter of equipment, in the matter of personnel, and anything else.

## MUST HAVE VISION.

We have just simply this one vision: That there is no job that the Government has to do now in this war that is more important or more responsible than the job that you gentlemen are doing in this employment service. I can feel myself that there is no other more important job to be done, and when I say that there is not, I am expressing the judgment of some of the highest officials of the Government here in Washington, and it doesn't need the expression of any of us to point out the importance of it. The first importance of this organization is to do something that private employment agencies, that irresponsible labor recruiting agencies, will not do. That first important job—I want you all to keep this in mind all the time—is to get the man into the war jobs that he fits, so that he will stay there, and in that way you will reduce this eternal turnover which can get so great that it is an obstruction to the conduct of the war. It is in some places a tremendous obstruction to the construction of guns and ships. You, gentlemen, have it in your power to so organize your affairs, to so organize your offices and have in them examiners of the right type and skill, so that when you have this tremendous recruiting job to do—so much larger than you have had it thus far—you will have your organization in such shape that when you send a group of workers into the shipyards or into the war industries, you have got to be as certain as you morally can be that those workers are qualified to do the job, because you have to go to a lot of expense; you put the Government to a lot of expense to transport those workers from interior points to the places where they are going to work; and you not only obstruct the work of that war industry in that shipyard or in that gun factory if you send a man there or a dozen or a hundred men that do not fit into the job and simply waste their time and waste the time of the organization, but you waste the money in getting the men there. So I say there is one thing you can do in the selection of the examiners that you will have to place in your employment offices or replacement of those who are in there now who are not efficient and not qualified, and it is the first job

that I would urge upon every one of you to take hold of as soon as you get back home. I want any critic of the United States Employment Service within 30 days from now to take a survey of any office, or all of the offices, and I want him to be able to say that there is not a man in there that is not a competent and capable examiner, and in order to bring that about you must apply some radical treatment, you have got to apply some radical methods, and perform some radical and dangerous operations, but I want to say to you that you will be backed up in doing it by the officers here in Washington no matter whom it hurts, because the thing we have to do is entirely too important to permit any obstacle to stand in the way. I want every man of you to get a big idea of this thing. As I expressed it to some of the officers in one of the States I was in a short time ago, "I want every one of our officers to get in this habit; I want them to think big. I want them to think just as big as they can. I want every one of you to think that you have a job that is bigger than regulating the whole universe. Your job is not that big, but, if you look at it as that big, you will be better able to handle the job you have got to do."

#### COOPERATION BY OFFICERS.

I want to say something about the cooperation that I would like to see between the employment officers of the United States Employment Service and the officers of the United States Public Service Reserve. Many of your employment officers do not know, perhaps, that the organization known as the United States Public Service Reserve is a division of the Employment Service. It is just as much a part of the Employment Service as any other section or division of it. The United States Public Service Reserve was organized over a year ago, and when the United States Employment Service was organized and established in January, the Public Service Reserve was taken into it as a division called the United States Public Service Reserve and the Boys' Working Reserve Division. Now, before we get through with this conference, I am quite satisfied that we will have established a perfect working cooperation between every one of you State and district officers of the Employment Service and every officer of the Public Service Reserve, because the job you have to do in the very near future is mapped out in such a manner that each one of you has an equally important task to do, and when you learn the strategy that will be employed by this organization for the recruiting of labor for the war industries on this tremendous scale, you will appreciate the absolute necessity of a closer cooperation between the officers of the Public Service Reserve and the officers of the United States Employment Service. There are many, perhaps as many different schemes and plans of execution at present existing in our organization as there are number of States. You perhaps find that out in discussion among yourselves. You should not be annoyed by that, because I have not been annoyed by that, and I think that if any one is entitled to be annoyed, I would be. Circumstances not necessary for me to go into here have made it utterly impossible for us to map out a complete plan and set it down over 48 States; we found that out from the start. We did not have the officers that we could send out to install the plan, even if we could put the plan into operation. In the hurry that we were put to, we were only permitted time enough to put into existence some employment offices, put equipment in the offices, put some personnel in the offices, get somebody there to whom we could telegraph when we had occasion to in the strategic points all over the United States. I have discounted all of the inefficiency, all of the lack of organization, all of the lack of standards, in our entire Employment Service, in order to quickly set up the employment offices. We have done a very remarkable thing. I don't know of any other organization in the Government that has done as much, in the short time that we have had to do it, as you gentlemen have in constructing this machine, and when we get through with these deliberations and you go back home to continue the extension of the service and bettering the service you will have a little clearer vision of some of the difficulties that confronted us here and confronted your neighbors in adjoining States. Some of those troubles will look very small as compared with others your associates have had, but I am sure that you will all go away with a greater realization of the importance of your duties, of the importance of the job that you have to do—that is, the mobilization of the industrial army of this country in numbers that will be three or four times greater than the Army of the Military Estab-



lishment and much harder to recruit. In doing what you have already done, in the mobilization that you have already accomplished, and that you will accomplish this year, you will have accomplished a more difficult task than the mobilization of the armed forces.

Mr. Hall, the concluding speaker of the first day's session, was introduced by the Director General as follows:

As I told you a moment ago, the Public Service Reserve and the Boys' Working Reserve were organized early in the beginning of the war. Many of you do not know that it filled the want before the suggestion was made by the President of the United States. The President suggested the organization of such an institution, however, about three months after it had been organized and established officially in the Department of Labor, and I happen to know that the President and the members of the Cabinet were quite delighted when Secretary Wilson was able to tell the President upon his inquiry that such an establishment was already organized and working in the department. The thing I want to get over to you gentlemen is that the Public Service Reserve and the Boys' Working Reserve have the very hearty indorsement of the President of the United States, as has the entire Employment Service. Some of you have perhaps forgotten, if you ever knew, that as long ago as three years President Wilson in one of his public speeches took occasion to single out the efforts at that time, small as they were and handicapped as they were, of Secretary Wilson and the other officers of the Department of Labor in taking care of this very difficult problem of employment. Speaking at Indianapolis of the accomplishments of the Employment Service up to that time, he said that if his administration had accomplished nothing else he would have been satisfied with what the Employment Service had done. He was speaking with particular reference to its handling of the harvest in the Middle West.

The Public Service Reserve was organized by a group of young fellows who had, I think, one of the broadest visions of any group in Washington or anywhere else. One young fellow in that organization is now the National Director. I was not here in Washington when the war broke out, nor for eight months afterwards, but I have learned that Washington was crowded with patriots who came down here to run the Government during the period of the war. They came down here as they said, "to do their bit"; but some came, as Secretary Daniels said, "to get their bite." The National Director of the Public Service Reserve is one of those who came to Washington to be of some actual service to the Government. I do not know of anyone who has given more or better service, more interest, more time, more of everything that he has, including his money, to the assistance of the Government than has the National Director of the Public Service Reserve.

The accomplishments of his Boys' Working Reserve organization in the States where he has been able to perfect it have been wonderful, and I hope you all will get a clear picture of what has been done with the Boys' Working Reserve in some of the States so that if necessary you can do the same thing.

#### ADDRESS BY WILLIAM E. HALL, NATIONAL DIRECTOR OF THE PUBLIC SERVICE RESERVE AND THE BOYS' WORKING RESERVE.

##### "Functions of the United States Public Service Reserve and Its Relation to the United States Employment Service."

I suppose in the field you have sometimes heard of Federal Government officials who were not working in harmony, but after hearing the introductions exchanged between Mr. Densmore and myself, nobody can say that there is not perfect harmony here.

Not long ago I attended a luncheon at which were present Mr. Schwab, Mr. Hurley, Secretary Houston, Secretary Wilson, Secretary Lane, Mr. Creel, Mr. Garfield, and a number of other important Governmental officials. I was there among a number of others who were invited who were of far less importance than the men just named. This luncheon finally developed into a kind of discussion of policies in obtaining production. Finally Mr. Schwab was asked how he proposed to increase production in the shipyards. He replied: "The first thing to do in speeding up production is to get enthusiasm into the workers. Make them believe in the operation in which they are

engaged. Have them realize that they are taking part in the greatest task in the world."

And so in this conference we have tried in the first speeches that you have heard to instill into you the enthusiasm that is necessary to get production in any organization. The speakers you have heard have painted you the picture, given you a background, and have attempted to make you realize that yours is the most important task in the winning of the war. I believe that you have now absorbed sufficient of our enthusiasm and have the requisite amount of faith in the greatness and importance of mobilization of labor as a factor in winning the war, so that we may now pass on to the actual instructions to govern your conduct in the field.

I fear, from what Mr. Densmore has said concerning my part in the organization of the United States Public Service Reserve, that you may have gained the impression that the idea originated with me. Although I would be proud to own it, still I must tell you that the Public Service Reserve is not my child. The idea of the Public Service Reserve originated in the mind of Nathan A. Smyth, who is present Acting Assistant Director General of the United States Employment Service and also Associate Director of the United States Public Service Reserve. The details and plans including the classification and indexing were perfected by Mr. I. W. Litchfield, who is now Chief of the Clearance Section, United States Employment Service, and also an Associate Director of the Public Service Reserve. At first it was necessary to have some financial assistance and not only was this furnished by Mr. John T. Pratt, who is now in France, but he as well worked faithfully in the Reserve as Associate Director for about seven months.

#### ACCOMPLISHMENTS OF RESERVE.

The Public Service Reserve at the outset confined its activities to placing men directly in the Army, Navy, and governmental departments. We established, here in Washington, a registry of all those who wished to serve their Government in some capacity. There are in Washington at the present time registered about 33,000 men with an accurate record of their qualifications cross-indexed so that they can be readily found. About 14,000 engineers are among those registered. From this list we have placed between 6,000 and 7,000 men in the Government service, mostly technical experts. If the Public Service Reserve had done nothing else it would have justified its existence by the increase of efficiency which it brought about by placing, when actually needed, the right man in the right place in the Army, Navy, and governmental departments. It would be impossible to measure the value of the Reserve in being able to furnish the right type of man without causing the Government to delay for long periods in looking for exactly the type of man it wanted.

The Reserve has been organized in the field only about five months. Sometimes the question is asked, "Is there any need for the Public Service Reserve in the field?" I think that you men have absolutely proved that there is. When we met here four months ago in a conference, we sent you out on an uncharted sea; the entire question of recruiting specified types of men by volunteer agents in the field was an experiment. Although the machinery which we have set up is not in perfect working order and needs to be strengthened, still its operation during the past four months has proved certain principles that are extremely valuable to us as guideposts for the future. We have proved that a volunteer organization with many volunteer agents is able to dig up, on short order, men of satisfactory qualifications for war industries.

This conference is to be a three-days "Employment Plattsburg"—three days of intensive training. We are going to tell you how to strengthen your organization, take from you your valuable experiences gained in the field and bring out of this discussion a coordinated machine as between the employment offices and the Public Service Reserve. We must confine ourselves strictly to the subject in hand and must run on a single track, as that is the only way we can accomplish what we have set out to do in the appointed time.

I can not go into the details of organization without thanking the State directors for the remarkable work they have done in their respective States, and without telling them that the Department of Labor deeply appreciates the unselfish service that they have given. Herr Ballin, formerly head of one of the large German steamship lines, in writing to another German who had



accused the Americans of being materialists, wrote: "You entirely mistake the Americans' character. The Americans are the greatest idealists in the world." You have been real idealists and have glorified your work with a patriotic vision which has been the motive power of your success.

Now to the actual discussion of organization and what you men are expected to do in the field. In peace times, if the employment offices were sufficiently numerous and well located, they probably would be adequate to supply industries and the farms with the requisite laborers. In peace times ordinarily an employment office would have a surplus of unemployed on hand at all times. In the war emergency, however, we find there is no surplus. The employment officer is asked to get men, both skilled and unskilled, and he looks at his list and he finds he has none registered. He has two methods of procedure in order to furnish the employer with the needed men. He could advertise in the newspapers for the types of men needed, giving the wages paid and other facts that were necessary. The danger of advertising at the present time is that advertisement is very apt to attract men away from essential industry and you have the incident loss of efficiency that always comes about from the shifting of men. The other path left open is to recruit the men. This, it seems to us, is the better method. The Public Service Reserve, with its 15,000 enrollment agents, serves as a dragnet to get in men of specified types so that the employment office may distribute them. The great problem that the employment office has at the present time is to find the men. It is necessary that it have some recruiting agency to go out and find the workers, preferably those in less essential industries. That recruiting agency as officially designated is the United States Public Service Reserve, with its 48 State directors, its county directors, and its 15,000 enrollment agents. The Public Service Reserve recruits the men; the employment offices distribute them.

#### FUNCTIONS OF RESERVE.

The functions of the Public Service Reserve as at present operated and those in its projected operation are as follows:

First, to register here at Washington men of suitable types and to place them directly in the Army, Navy, and governmental departments. In the placing of men in governmental departments it is to be noted that the Reserve acts both as a recruiting agency and a distributing agency and that the employment offices leave to the Reserve the task of filling governmental positions although willing to aid the Reserve in every possible manner.

Second, the recruiting of men, skilled and unskilled, for the employment offices by inducing wage earners to move from less essential to more essential work. In this operation it is noted the distributing of the labor is exclusively the function of the employment offices, except in one case which I shall cite later.

Third, to register skilled men in specified trades for which there is anticipated a strong and steady demand by war industries. For instance, we may foresee that many welders will be needed and we will send out a call for you to register every welder in less essential activities.

Fourth, recruiting and distributing labor in the rural districts where there are no employment offices. Fifty-four million people in the United States live in country towns and small cities. There is here a vast labor supply not reached by the employment offices. If an industry in a small town doing war work needs men and within a short distance those men are available, there would be no need to go through a distant employment office in order to place them. This is the exception which I spoke of where the Reserve may distribute labor. As time goes on we will find that our supply of labor will be more and more drawn from the rural communities, for the reason that large industries draw their labor from the cities first and for the further reason that smaller companies in the rural districts will release more and more men as their business is curtailed by the placing of war orders exclusively with the plants that have reasonably large capacities, which are not usually found in small towns.

Fifth, to use the county directors and enrollment agents as special labor agents in reporting the supply of labor in any given community; to report on and prevent, if possible, the ruinous recruiting of wage earners which is being carried on by labor scouts sent out by various companies and by plants openly

bidding against each other in a given district; to bring about, through its agents, the organization of community associations to study and prevent large turnovers of labor by putting through voluntary agreements among employers not to steal each other's men and to see that the housing and working conditions are satisfactory; to assist through its agents in the dilution of labor and to aid the transfer of men from less essential activities to more essential activities.

Our operating machinery, which I will show on the blackboard here, is as follows:

#### OPERATING MACHINERY.

The Secretary is in charge and speaks through the Assistant Secretary. The officer in active charge of the United States Employment Service, of which the United States Public Service Reserve is an active part, is the Director General. The officer directly in charge of the Public Service Reserve is the National Director who reports and is directly answerable to the Director General of the United States Employment Service. Under the National Director are Federal directors for the 48 States, the District of Columbia, and Alaska. Under the State directors are county directors, who, in turn, have under them enrollment agents in every city, town, village, and hamlet. The Federal State director is supreme within his own State and reports directly to the National Director. The county director should be a man of executive ability with a reputation for fairness to both capital and labor, who is capable of advising on labor activities within that county.

All enrollment agents should be men who understand the various trades. It is important that when a call goes out from the Employment Service for men that our enrollment agents know the difference, for instance, between an ordinary bench machinist and a toolmaker. I have in mind a county in Pennsylvania having 30,000 inhabitants, with about 25 enrollment agents. The county has two towns, one 8,000 and the other 5,000. The county director is a man of executive ability, and in the town of 5,000 inhabitants he has two or three enrollment agents. One agent has been a machinist and is now a manager of a large machine shop. The other agent is a mechanic at the head of a successful plumbing establishment who knows trades intimately. It is not well to have doctors and lawyers as enrollment agents, but rather to have men who have had practical manufacturing experience.

When you return to your respective States your first act should be to get rid of all inefficient county directors and enrollment agents and replace them with men of the types I have mentioned. In the past you have been handicapped by the lack of funds. The small allowance allotted to you by the department has in a great many instances, especially in the large States, proved insufficient to carry on an extensive organization.

We propose in the recruiting campaign for unskilled labor which we are to carry on, and which you will be told about to-morrow by Mr. Smyth, to have you divide the State into as many zones or districts as you desire. We would advise you to put in charge of each of those districts an assistant who will look after the organization of the various counties within the district and see that the entire machine is functioning. For these men we will provide a salary, and in addition you are to have such office help as is necessary. The number of districts is entirely optional with the State director, as we believe in decentralizing as much as possible. We leave to the director the details of working out his own organization within the State. It is not our intention in the future to make any drives to register men for any particular operation far ahead of the time they will be actually needed.

#### DIRECTORS MUST PULL TOGETHER.

As we progress in the conference the details of the relation of the Public Service Reserve and the Employment Service and the methods of cooperation will be brought out more plainly. I am sure when you return to your respective States that you will have a clear idea of how necessary and important the Reserve is in the important work of the mobilization of wage earners and that you will understand fully how the Reserve is a part of the United States Employment Service and how it must work in perfect harmony to get results. In a majority of the States the Federal State director of employment and the Federal State director of the Public Service Reserve are the same men.



In some States conditions have made it necessary to have one man for the Reserve and one for the Federal State director of employment. It is absolutely vital to the success of any operation we undertake to have these two directors work in perfect harmony. If the two directors will not work in perfect harmony we will get two directors who will. If the Reserve director lives far from the office of the employment director, he should somehow arrange his affairs so that he will be in the city. Propinquity of directing heads usually means efficiency in operation.

The point that I wish to impress upon you is that in the war emergency there can be no consideration of any personal interest where that interest is a discordant factor. You men must go back to the States and all work together, for you are tackling one of the greatest tasks that the war has yet produced.

### FRIDAY, JUNE 14.

The conference was called to order at 10.15 a. m. by Mr. Hall, who introduced Hon. Louis F. Post, Assistant Secretary of Labor, as follows:

Most of you know intimately the functions and origin of the Department of Labor, the subject for the opening address this morning. There are a number of you, especially the new men who have come into the service, who do not understand the tremendous scope of the activities of the Department of Labor, and the bearing of these activities on the general problems you have to solve. It is well, therefore, that we should have a statement of the activities of the Department of Labor and its functions, because you are a part of it. You men are just as much officials of the Department of Labor as Secretary Wilson, or Mr. Post, or Mr. Densmore, or any of the officials. I showed you on this diagram yesterday the Employment Service. You will notice that first came the Secretary of Labor, then the Assistant Secretary, and then the Director General. The spokesman for the Secretary, who is in charge of the Employment Service, is the Assistant Secretary. It is he who directs—really directs—in the activities that you are engaged in, and it is fitting that he should speak to you, and I know of no man who knows more about the real purposes or has more of the proper spirit and vision of the Department of Labor. He is so well known that there is no need to go into what he has done, for he needs no introduction.

### ADDRESS BY LOUIS F. POST, ASSISTANT SECRETARY OF LABOR.

#### “Origin and Functions of the Department of Labor.”

Reminding the members of the conference that as officials of the Employment Service they are an organic group of the Department of Labor, and, like the personnel of all its bureaus, are under its general control, Mr. Post attributed the origin of the idea of a Department of Labor to a meeting of wage earners in Kentucky more than half a century ago. He mentioned as one of the participants in that meeting Terence V. Powderly, afterwards General Master Workman of the Knights of Labor and now an important official in the United States Employment Service, whose absence from the conference was due to serious illness. The Assistant Secretary then told of the creation of the Department of Labor by Congress a little more than five years ago, and of the appointment to the head of it by President Wilson of a distinguished wage worker and publicist in the person of William B. Wilson.

Describing the functions of the department in connection with the bureaus of labor statistics, immigration, children, and naturalization, the Assistant Secretary explained the circumstances under which the Employment Service had sprung out of the Immigration Bureau, under Mr. Anthony Caminetti, as Commissioner General, and had been promoted by the Secretary of Labor to its present advanced position, under the directorship of Mr. Densmore. The authority for such advancement was referred by Mr. Post to that clause of the organic law of the Department of Labor which prescribes the purpose of the department to be “to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.”

Wage earners, Mr. Post reminded the conference, are usually referred to as "labor," and in consequence the fact that they are human and have human characteristics is forgotten. "Labor" is too often looked upon by business men as a mere business necessity, like machines, buildings, raw material, live stock, and so on, he continued. In illustration of this point, Mr. Post said that one of the dollar-a-year men of the Department of Labor had said that his association with the department had been to him a liberal education. He had had to do with labor all his life, but he had never before thought of it in any other way than as an item of "labor cost" in his ledger. Now, however, he had learned what, the Assistant Secretary said, all business men must come to learn—that in dealing with labor we are dealing with human capacities, sensibilities, habits, and attitudes of mind.

#### CHANGE IN TREATMENT OF WAGE EARNERS.

"The time has gone by," Mr. Post continued, "when the wage earners of this Nation can be treated or even thought of as mere items of labor cost—as so much machinery, so many slaves or serfs, or so much live stock, to be judiciously oiled and cleaned or reasonably fed and decently stabled. For when this war is over we shall be living in a new industrial world, a world in which the unnatural segregation of employer from employee, as distinct industrial classes, will have passed away—not by any miracle, but because special privileges that now divide the people into industrial classes will have been or soon thereafter will be wholly abolished. We shall all realize by the time the war ends that the survivors of our soldiers who are fighting for our country in European battle trenches now will return to ask, and with an emphasis that can not be disregarded, whose country this country is that they have fought for and their comrades have died for.

"The first thing we must do is to win the war. To that we all agree. The next thing is to see to it that the war is won for the purpose for which our men are fighting—for the purpose described by the President—for the purpose of making the world safe for democracy. We must see to it, too, that this purpose means nothing less than that democracy, not merely in words but in substance, shall be safe to develop at home as well as all over the world, and in our industries as well as in our politics. Our war purpose must not be lost after our war has been won."

The Assistant Secretary spoke especially of the circumstances under which the Boys' Working Reserve and the Public Service Reserve were organized, and of certain essential principles of socialized industry which must be understood by officials of the United States Employment Service in order to make their work effective. He said:

"Employment service work is not a mere matter of placing some men where other men want to use their labor power. Such specialization is truly of great value; but back of it lie certain general principles of wealth production and wealth distribution. These principles are natural laws of social development—as natural to society as gravitation is to the physical universe—and they must be appreciated by every one who wishes to do employment service well. All such persons must remember that they are dealing with human problems on both sides of industrial relationships—the wage-earning side no less than the employing side. They must remember not only that the employer is human and actuated by human motives, but that wage earners are also human and actuated by the same human motives.

"There will be little difficulty in harmonizing capital and labor if the human factor be emphasized. Employers and employed are engaged together in the production of good things for mankind, and this production must be continuous. Has not the war taught us that mankind, considered as a whole, lives literally from hand to mouth. There is no other way. If you had fish for breakfast this morning that fish was swimming in the bay, or the river, or the sea only a few hours ago. Some men managed and many more worked for wages in order to bring the fish to your table fit for your food. If all this had not been done you would have gone without fish this morning; and if similar things in other vocations had not been done you would have gone without any food at all. If similar things were not done in still other vocations, day by day, year in and year out, we should have not only no food but no clothing, no houses, none of any of the things, be they necessities or luxuries, that everybody wants.



LESSON OF WAR.

"The war has been teaching us that we can not call upon accumulated reserves of food and clothing, either for the Army in the trenches or the army back of the trenches. There are no such reserves. There are no accumulations of any kind of commodities except for a very little while. Commodities will not keep, whether they are eggs or houses, railroads or ships. They have to be made by labor right along as continuously as the hands of the clock go round. Our country is dependent absolutely upon its labor power, continuously so, and wage earners furnish most of that power.

"We speak of labor often as if it were one thing and of business as if it were another. But business and labor are the same; the wage earner is a business man. The only difference between him and other business men is that he can never have but one customer at a time; his employer is his only customer. When he loses that customer he must find another or go bankrupt. This puts him at a disadvantage in dealing with business men. They have many customers and can afford to lose some while they are getting others. But all the same, the wage worker is a business man, doing his share—far and away the largest share that is done at all—of what is absolutely necessary to keep the world alive, whether in war or in peace."

In closing, Mr. Post paid tribute to the work of the United States Employment Service as of the highest importance. "In finding the right man for the right place," he said, "and the right place for the right man, you are helping to win the war while we are in it and helping to secure its fruits for all our people after we shall have won it."

Nathan A. Smyth, Acting Assistant Director General and Chief of the Common-Labor Section of the United States Employment Service and Associate National Director of the Public Service Reserve, as the next speaker, outlined the common-labor supplying program of the United States Employment Service.

**ADDRESS BY NATHAN A. SMYTH, ACTING ASSISTANT DIRECTOR GENERAL OF THE U. S. EMPLOYMENT SERVICE.**

**"The New Labor Recruiting Program."**

You gentlemen may get tired of hearing it reiterated, yet I think every one of us here feels it so keenly that we have to recur constantly to the extent of the direct responsibility resting on each one of you and of us in connection with winning this war. It is just a case of plain logic. We all know that the allies now are waiting for America to come over and win the war. They are waiting to see whether we will come fast enough. The question of whether we come fast enough isn't a question now of the number of soldiers, for we are sending soldiers very fast. It is a question of whether we can in time furnish the ships, the supplies, and the munitions. The question of whether America can come fast enough to win this war is a question which depends on American industries.

The crucial question with American industries to-day is: Can they get workers enough to do the work fast enough. The responsibility for getting the workers, getting the right kind, and getting them fast enough rests upon you and upon us.

FAITH IN OURSELVES.

A lot of people say, "Is your Employment Service capable of doing its tremendous job? Can your men do it?" I just want to say in reply: Don't let any man here go out of this conference with the slightest lack of faith in the capacity of the Employment Service or his own capacity. We have a job to do which is as hard as anyone can conceive of. If we had to rely, each one of us, on his own poor individual ability, we never could put it over; but if each of us will realize his own personal limitations he will also realize that the thing which he has not the ability to do himself he can get some one else to do. It is not our responsibility to do it all ourselves, it is our responsibility to see that it is done by some one. With the power of the American Nation and the

awakened enthusiasm and vision of the American Nation behind us we can go out from here and we can and will put over this job.

#### KEEP IT BIG AND SIMPLE.

I read a newspaper or magazine article about Maj. Grayson Murphy, the very efficient leader of the Red Cross, when he was going over to France with the first bunch of men that took up that great work. He was constantly saying: "We must keep it big and we must keep it simple." That is one of the things we must remember in facing this great new program that lies before us. I think we all see the bigness of it and the necessity of keeping it big. I want to say just a word about the necessity of keeping it simple. There is a great temptation in facing a big task to use too elaborate, complicated, complex methods of doing things; a temptation which we shall have to resist at every stage, because only by simple methods can big things be done. Now, to keep it simple in practice I think we must remember two or three things.

In the first place we mustn't get our organization and our task too much tied up with other departments and organizations so that we have to await their functioning, and sit around and do nothing until they come across in order to do our task. In the second place we must, so far as possible in our original plans and at every step of the way, eliminate everything that makes for indirection or duplication; that puts additional cogs in the machinery; that does anything to divert direct, immediate action toward the accomplishment of the thing we are driving at.

In performing our task we must stick always to certain definite principles while keeping our methods, our tactics, as distinguished from our strategy, adaptable so as to meet changing conditions and circumstances as they arise.

#### FOUR FUNDAMENTAL PRINCIPLES.

I can think of only four real, essential, fundamental principles that we have to stick to. These four are:

First, that war work must have the men it needs at any cost. The war work of this country has got to have the workers. That may mean the closing of industries which are not essential to war. It may mean sacrifice and loss to man after man, but nevertheless war work has got to have the men, because without the workers we can't win the war, and we are going to win the war. It means something, too, in our own relationship to it. It means that excuses on our part won't go. It means that when we have the task of equipping a plant with workers, we have got to equip it, and it doesn't make any difference how good the reasons or how good the excuses are why we can't do it. Of what value, my friends, are the best reasons and excuses going to be to our children if this country doesn't win the war?

The second is that in forcing the country and industry to make releases of men that are necessary we must at every step try to keep the burden, as between localities and industries, just as fairly divided as we can; we must not levy it all on one set of employers; we must not be unfair as between individual employers; we must equalize the burden.

The third fundamental principle upon which the work of this department is based is that, although all the force of the Government, if necessary, is going to be applied to make industry give up the necessary workers, we are going to stick to the volunteer principle when it comes to dealing with the individual worker.

And the fourth principle is one that we must remember everywhere and practice—that we have got to put *fit* men into war industries. You are not doing any good if you just fill up your reports with large numbers of men you have directed to war plants. You only do good if you send men to those plants who are fit to work there. In every step you take remember that the question of the fitness of the individual sent is of the highest importance. To send men unfit for the work, or men who won't stay, or men who are disloyal, or men who haven't ability, is an offense against the war industry of this country.

#### ADAPTABILITY IN METHODS.

Now, with those four principles in mind—that the war work must have the workers; that the burden must be equalized; that we must stick to the volunteer principle in dealing with the individual; and that only fit men, so far as



possible, shall be sent—we come to the next proposition: That we must be flexible and adaptable in our methods. The very first point where the war has brought that home to us is right in this thing that is the dearest conception of all to every man who has engaged in employment-service work. It does not mean a criticism of his principle; it means that he will have to adapt it to the conditions of to-day. This fundamental idea is that of a clearing house of labor. We are all looking forward to the time when we shall be able to match supplies and demands—"clear them" as we call it—through the individual offices, through the State, on up through the district, till it all clears off, just as checks in a bank clearing house clear off with one another. It is a sound idea in general and has still a certain application in war times; but it depends absolutely on having a supply, because without a supply we can't match supply with demand. And we have come to and are now facing a time when there isn't a supply of labor. In normal times, if our supplies don't match off against our demands, we simply clear them as far as we can and then our job is done. In war times, confronted with the fact that there is no supply, our duty doesn't stop with letting the clearance system work itself out. It is our job to go out and dig up for war industry the labor which it needs. The transcendent duties—responsibilities—of to-day are the recruiting and digging up of labor and its distribution through war industry, and it is to meet those two immediate, pressing problems that the whole war program of this body has got to be devised.

#### WRONGS IN OUR PRESENT METHODS.

Now, another thing in flexibility of method that we should always keep in mind is: We have got to find out what we are doing wrong to-day and find a remedy.

In the first place, we are carrying on in this employment service competitive recruiting.

We are recruiting, for instance, in Ohio for Norfolk, without the slightest reference to the needs of New Cumberland, Pa. We have been recruiting for Nitro, Va., in New York and Chicago without any reference to the needs that we are going to develop in New Jersey, Baltimore, and Washington. If we keep on in that method, what is going to happen when Gen. Goethals begins to build that new quartermasters' quarters of his around New York, or the United States Steel Corporation starts to construct its great ordnance project near Pittsburgh?

What is going to happen as the war goes on, if we go on drawing from sections in which we can find labor, without any comprehensive picture of present needs and of what is coming up to meet us?

#### RESULTS OF PRESENT METHODS.

What is the result of our efforts along those lines? One is that local communities, realizing their own needs, present and forthcoming, are closing their doors to us.

We send recruiters down to Georgia and Florida, say, and if they don't get locked up in jail they get kicked out in some other way. Philadelphia bars us out. Chicago protests. One by one the doors are being closed because the individual communities, seeing their own coming needs, are beginning to conserve their labor for their own purposes. And the only claim we could make on such communities is one which we can't make yet, under present conditions—the claim that each State and community—Florida, Georgia, or Ohio, Philadelphia, Chicago, or Boston—owes to the Nation, to war industry, as its fair share, more than it yet has provided; that it hasn't yet given its share. We can go to any one of these States and say, "You have got to let us recruit your share," provided at the same time we can tell them that we have made the best effort possible to divide the demand up fairly and that the burden is being distributed fairly, for war work has got to have the men. Every State in the country is clamoring for quotas, and quotas we can't give them. We haven't yet been able to get for the Employment Service, under present methods, any comprehensive picture of what the demand is. You can not divide the figures until you have the figures to divide, and so such quotas as we have given have been purely arbitrary.

## LACK OF FORESIGHT AND COMPREHENSION.

We are dealing with this subject with an utter lack of foresight and comprehension, not because we haven't wanted to use it, but because, up until a few days ago, it was never given into our power to use it. The net result is that war labor, war industry, to-day is perilously short of men.

Another result, favorable from our point of view, is that the great employers, those who have been recruiting their own labor and can no longer get it, have come to see the situation and have united with us in working for a change; and now, thank Heaven, a new method has come to us.

## THE NEW PROGRAM INITIATED.

I am going to read to you the actual resolutions that were prepared by the War Labor Policies Board last week, which are to-day the official war labor program of this country, and which have been pledged the support of the head of every department involved in this policy.

I want to say that if it is possible for us to get the President, by proclamation, behind this program, we are going to do it.<sup>1</sup> Nevertheless, it has at the present moment the sanction of bodies that have power to put it into effect.

I am going to read the resolutions over first and then come back and comment on one or two paragraphs in them.

[Resolutions printed on pp. 90-91.]

## GENERAL PRINCIPLES EMBODIED IN THE PROGRAM.

*(a) Gradual enforcement.*

1. This program enables the Employment Service to put the monopolization of labor recruiting into effect gradually and at the same time to exercise a certain control over labor recruiting which it is not yet ready to monopolize, control which will enable us to prevent stealing from war industries, perhaps prevent transporting men except under our authorization. A number of regulations are being worked out in an effort to control the labor activities which we shall not entirely restrict.

*(b) Recruiting farm labor.*

2. I think most of you know that the working agreement between the Departments of Labor and Agriculture referred to is an agreement which, in general, provides that the recruiting of farm labor in rural communities shall be performed by the county agents of the Department of Agriculture and elsewhere by the United States Employment Service. Back of that agreement I hope everybody will put the spirit of cooperation which should be felt by every man engaged who realizes that we are at war.

*(c) The men must be had.*

3. And then these resolutions say that the full power of the Government shall be exercised to supply the labor requirements of war industries. I want to call your attention to one principle and that is this: War industry is entitled to the best men the country can give. We have got to teach that lesson. We find that manufacturers and employers who are sending their sons over to France to fight are grudging their good workmen, hesitating to let them go to work which is necessary to protect the boys they have over there fighting. What's the use of sending our dearest and best to fight if we send only the riffraff to war industries and keep our best workmen for work at unessential tasks?

*(d) Getting fit men.*

Gentlemen, there is a message that hasn't been put across, and it is your responsibility and ours to get that message across. If men have to be trained, who ought to train them—the shipyard or the man in nonessential industry who has a man already skilled who can be sent to do the shipyard work? It is

<sup>1</sup> See President's statement printed on page 89.



just as clear as anything in the world that the trained worker should go to the shipyard and the employer in nonessential industry should take the green man and train him. Are we going to send—to do this common labor upon which the progress of this war is dependent—bums and idlers who are going only because if they don't work they will have to fight? Are we going to send to do war work the physically incapable men who come out from the restaurants and shops? Or are we going to absorb such men into the less essential industrial life of the community and send our good men to work to win the war?

*(e) Selection among unskilled laborers.*

And right in that connection I want to call your attention to the fact that when you are selecting unskilled laborers there are differences among unskilled laborers. We recognize the difference between a machinist and a lathe hand or a toolmaker and a boiler maker, and yet we tend to lump together in a class all the rest of them and call them unskilled laborers. One man will do as well for one job as another—that isn't true. When you are recruiting unskilled laborers for war work, you ought to know something about what kind of work they are going to do. If you are recruiting a man for work requiring physical strength, there is no use sending a weakling. Always in this recruiting bear in mind the kind of work that has to be done, and try to recognize differences in unskilled labor and get men for each kind of work who are capable of doing it.

STATES WHICH ARE NOT READY.

We come again to the principle of gradual enforcement. Some of our friends worry and wonder how we are to be able to mobilize all the unskilled labor recruiting for the war by the 15th of July [now postponed to August 1]. We are well organized in some States, but at this particular moment we are not adequately organized everywhere. This is what we are going to do about it: Some of you haven't yet got your States so that you will be able to recruit quickly and rapidly enough your share of the burden. You have a month between now and then to do it. We are going to put up to the leaders from each State, along about a week before this program comes into effect, the direct responsibility of informing us whether that State is ready at that time to contribute promptly its share of the burden.

UNRESTRICTED PRIVATE RECRUITING.

Let me tell you what is going to happen if you are not ready: We are going to let recruiting by all war industries go on unrestrained in your State. We are going to leave you prey for the pirates till you are ready to protect yourself by agreeing to furnish your share.

I tell you, gentlemen, if you don't get your State organized so that you can take the responsibility for protecting your State, I am not going to be responsible for what your State is going to do to you. But the responsibility of saying you are ready must not be assumed lightly; you must assume it conscientiously, with a full sense of what it means as your pledge to the Nation.

GENERAL AUTHORIZATIONS TO RECRUIT.

At the outset, we are going to give general authorization for hiring unskilled labor without solicitation, or, as the phrase goes, for "hiring at the gate." We don't want to do that. A great many of the evils of to-day are camouflaged under "hiring at the gate." The difficulty of setting a prohibition against it at the present time is that the alternative means that no man can go into any war plant in the country unless he has a card from the Employment Service. Some of you haven't agents near enough and aren't likely to be able to have them near enough to every war plant in your State to be able to furnish such a card to every man quickly and promptly. Just as soon as we are able to accept the responsibility and to handle it promptly and efficiently we are going to do so.

A second provision says that at present we will give a general authorization for the recruiting of labor for railroads. There isn't any principle back of that at all, except that up to this time the Director General of Railroads has not selected his representative for the War Labor Policies Board and joined in the common program.

We are not at the present moment going to insist that nonwar work shall do its recruiting through the United States Employment Service. Such insistence means in each instance responsibility on our part. We have our hands as full as can be in supplying workers for war industries. While we are not going to prevent nonwar work employers from recruiting, we are going to carry out this program with a view to preventing their recruiting in ways that will hinder the recruiting of labor for war work.

The provision about the employers of less than 100 laborers is merely so as not to flood ourselves at the outset with minor requirements. We are not going to prevent such small employers from recruiting men under their own methods; but if any of them want us to help them in this for war work, we are going to help any war industry, whether it employs 50 or 50,000 men.

Skilled labor we shall take over just as rapidly as we can. I am going to speak of the general present program for handling that a little later on. We don't want to try to bite off too much the first bite, so we are leaving that for a nice second meal. In the meantime, however, so far as necessary, we can put restraints on advertising or other methods that tend to labor poaching. And also, in the meantime, bear in mind that while we are not monopolizing the recruiting of skilled labor at this moment, it is one of the first duties of this service to do everything it possibly can do to get for war work every skilled laborer that it needs.

#### ASCERTAINING THE DEMAND.

The next step in the program is to secure from all war plants orders for their present needs for common laborers, with the estimated needs for two months to come. This latter is for our benefit in visualizing the situation as a whole. Order blanks are going to be distributed, in the first instance, by the War Department, Navy Department, Shipping Board, and so on. The heads of those departments will instruct their production divisions to see that the blanks are sent out, together with a copy of the resolutions of the War Labor Policies Board, with a request from the head of the department that they comply with this program so far as possible.

These order blanks are to be sent to the State directors when filled out. This method will not reach all employers engaged in war industries; for instance, it will not reach the locomotive crane industry, which is 80 per cent war work, and, generally speaking, it won't cover subcontractors. We are going to get at them by several methods. The War Industries Board knows pretty well the classes of war workers. We have a list which the Fuel Administration has prepared, containing, I think, about 12,000 firms engaged in war work that are going to get preference this coming year in the supply of fuel. That list has been carefully prepared, and, I think, includes most of the war work for which we will have to furnish laborers.

#### STATE DIRECTOR'S RESPONSIBILITY.

Nevertheless, we want each State director, when he gets from us in due course of events a list of war plants in his State, to which these blanks have been sent, to check up this list with his own knowledge of local conditions. This recruiting program is for the benefit of all work done for the Government that is directly connected with the war. If you have any question as to whether any particular plant is doing war work, refer it to us; because we have the opportunities here to verify whether that plant is doing war work. If you undertake to supply, as a part of this great program, any industry that isn't on the list that we send you, we hold you responsible for verifying the fact that it is engaged in work that ought to be included in this program.

#### PLANTS DOING PART WAR WORK.

Question from a STATE DIRECTOR. The Union Iron Works at Iola do a great deal of commercial work, but they have some contracts for war work, perhaps 15 per cent.

Mr. SMYTH. I don't think it possible for any one to lay down a fixed rule. Is the war work which that plant is doing of sufficiently vital importance to the country, in quantity and in percentage, to warrant us in including it in this program and in getting for it men whom we are squeezing out of less essential industries? Entering into that question we must take into account whether they are trying to get men for their nonwar work instead of war work.



## SHORT-DISTANCE AND INTERSTATE TRANSFERS.

These resolutions state that the "distribution of the workers recruited shall aim at transfers for the shortest possible distances, and at the utilization of local supply so far as possible to meet local war needs."

I am going to illustrate by Pennsylvania and Hog Island. There are lots of plants in Pennsylvania that need small numbers of workers; Hog Island needs them in bulk. It is very difficult to bring a party of 500 workers from a State in the Middle West to Pennsylvania and then divide them up into small bunches and distribute them around to the small plants. So far as Pennsylvania can meet its local demands through local supply, that local supply should preferably be given to small plants, using the shipments from other States for large demands like those of Hog Island.

## COMMUNITY BOARDS.

"For the purpose of equalizing the strain of transfer and adjustments of labor within local industrial communities, the United States Employment Service shall encourage the formation, under its guidance, of community boards, upon which there shall be an equal representation of labor and of management, and shall cooperate fully with such boards in securing local quotas."

That general principle has been adopted without any definition as to just how it should be carried out. Two or three forms of organization have been suggested. Some of them that have been started successfully we shall describe in the EMPLOYMENT SERVICE BULLETIN. The form is a matter that the State director of the State will have to work out for himself. Here is the general principle we are getting at: We are trying to equalize the drain on the less essential industries. If the employers engaged in less essential industries in any community will get together in any form that you may suggest, giving labor an equal part in the conference, and will undertake to let you know from which particular employers to get the men—if they will do that and you should encourage them to do it—you should cooperate with them in doing it to the utmost extent.

Then such local boards will be useful in connection with questions of local priorities. There is no board or body so capable of determining local labor priorities as a body representative of local interests.

## EMPLOYMENT MANAGERS' COMMITTEES.

There is a form of organizing for this purpose that I want to mention. It is being undertaken in Maryland at the suggestion of Mr. Davis. In any industrial community, filled with war work, where you have got to supply it all, it is a good thing to get together all the employment managers in that community with whom you have to deal; then organize them so that they can work together. Let's suppose, for instance, that at Baltimore it is possible to supply only 1,000 laborers of the 2,000 that are needed. You can refer the question of who should have them back here to Washington and let us call a board together and determine it. But, after all, the best persons to decide, if you can get them together, are the employment managers concerned. They know the relative needs at the moment. Such organizations will take the place locally of this priorities board or committee which we are going to have here to help us in our labor distribution problem.

## ENFORCEMENT OF PROGRAM.

We do not need to touch in detail on the enforcement of this program. The moral power of a public presentation of the war necessity is very great.

If the committee of this War Labor Policies Board here in Washington finds out that some employer is violating this program, I think no more pitiless punishment could be visited on such employer than the publication of a report from this investigation committee—on which the War, Navy, and other departments are represented—that such employer insists on continuing a selfish and disloyal policy rather than unite in the Nation's program to win the war. But we have the power to enforce that program through cutting off coal or material.

I call, also, attention to the fact that it is necessary for you gentlemen, all of you, in your respective States, to watch carefully for violations and to report to us promptly any that come within your knowledge.

## RELATION OF PROGRAM TO FARM LABOR.

I am asked, What about the farm labor situation? I think you all realize that one of the chief concerns of this department, in the program we are undertaking, is to protect the interests of the farmers. It is not my personal function to say anything about the methods with which you are already pretty familiar, by which we are undertaking to get labor for the farms. It does fall within my province, in giving a description of the particular program we are undertaking for getting labor for war industries, to emphasize and re-emphasize the fact that we are trying to get up a method for recruiting labor for war industries which will from first to last give every possible protection to labor on the farms. One of the things each man is required to do in carrying out this program, and one of the reasons why we need to have a central recruiting program, is to enable us to see that farm requirements are properly conserved and that men who are working on farms are not taken from them for war industries, and to see that a fair distribution is made as between farms and war industries.

## THE PROGRAM IN DETAIL.

Now, I have given you a general outline of the plan as sketched by the War Labor Policies Board. The actual carrying into effect of that plan is a great problem—harder in some ways to perform than the mobilization of a lot of soldiers, who can be ordered and sent where you want them. The problem of recruiting and distributing labor for war industries is a big one; and just because it is big, it is necessary that so far as possible we evolve for you as simple and direct a plan for dealing with it as is possible. I regret to say that in the limited time since this general program has been adopted we have not been able to evolve such a plan with clearness and finality in all details. A large number of details, however, we have worked out tentatively. These it is my duty to sketch out to you. We are very anxious, because it is a plan calculated to get effective cooperation and touching your work, the details of which you are more familiar with than we are, to outline it to you before we finally adopt it in all its details and to get upon it, if we can, your constructive criticism so that before very long we can send out general instructions and general directions for handling it.

## GENERAL FUNCTIONS OF PUBLIC-SERVICE RESERVE AND EMPLOYMENT SERVICE.

Now, the first proposition which has been agreed upon among us is this: We are doing two things: we are recruiting and we are distributing. Primarily the responsibility for recruiting is going to rest upon the Public Service Reserve; primarily the responsibility for distributing is going to rest upon the offices of the United States Employment Service. I say "primarily" in each instance, because a great deal of the actual getting of men will be of men who go to Employment Service offices and it will be accomplished directly and indirectly through the Employment Service. I say "primarily" as regards distribution, because in the problem of distribution the Employment Service will want to call constantly upon the resources of the Public Service Reserve. In some States the director of the Reserve and of the Employment Service is the same man. In the other States it is their duty to the Service and to the war to work together in every respect, as if they were one man, in solving these problems.

## NECESSARY DIVERSITY OF ORGANIZATION IN DIFFERENT STATES.

Now, in outlining this program of organization, I want to call attention to another point, that it is not wise to try to install absolutely uniform systems of organization or uniform methods of operation in every State and district throughout the country. We want to outline the general principles. We want the State directors to go back feeling not only the responsibility but power and authority within their own States, getting as much information and advice as they can from us and from other States, but each one feeling that the methods in his State, subject to the general principles laid down by us, are his responsibility and his duty to take care of.

## REQUIRED ORGANIZATION--PUBLIC-SERVICE RESERVE.

Now, a word as to the organization which has got to be created between now and August 1 to take care of this problem. I refer, first, to the organization of the Public Service Reserve, the recruiting organization. Mr. Hall



touched yesterday on the necessity of having an enrollment agent in every county or parish and, further, to reach into local communities to do the work. Because most of these men are and will have to be unpaid, it is necessary that you should make them realize the great value of the work they are doing, because I think they are all of them men who are eager to work for our country, and war is the chief business of everybody now. Mr. Hall wants me to tell you that he neglected to inform you yesterday that badges are being prepared for the officers of the Public Service Reserve, one with a gold leaf for the director, a silver one for the assistant in the State, and other proper and appropriate badges for the county and local agents, so that they may receive in that way some recognition of the fact that they are working for our country in this service.

*(a) Recruiting divisions and officers.*

Now we believe it advisable to introduce into your Public Service Reserve organization for the purpose of pressing needs, a "recruiting division." We are going to apportion quotas among the States and we are going to distribute these quotas by localities. Each Public Service director, working with the Employment Service director, can figure out 6 to 10 general recruiting districts in his State, basing these recruiting divisions on geographical, or, more essentially still, on transportation considerations. Divide your State up so that it can be handled in large districts. Then have a paid agent responsible for organizing and recruiting in each one of these divisions. Such agents will call on the county agents for assistance in getting men together at the time they are needed and will furnish such assistance to the Employment Service in helping them to move and distribute the men who are recruited.

*(b) Reserve director's office organization.*

You will need, to a certain extent in your central offices, more help than you have now. Your office space should be if possible associated, if not absolutely connected, with the director of the Employment Service; you will need some clerks and some stenographic assistance.

REQUIRED ORGANIZATION—EMPLOYMENT SERVICE.

In the Employment Service a very considerable development must take place. We are going to take over the responsibility—you are, in your State—of supplying labor to every concern engaged in war work. That means that you will have to watch and take care of the needs of every one of them. It means that some one must always give particular attention to each war plant in your State. I don't mean it has to be one plant to one man, but that some officer or some individual in your State should feel that it is his duty to look after the interests of each plant.

DETAILS AS TO EACH WAR PLANT.

Among the things that such office or individual has to do are these:

In the first place, when these orders come in, verify them and see that they are bona fide orders and not simply some one's asking price. Mr. Izard was telling me yesterday of a concern that sent to him in a great hurry on a Saturday for 200 carpenters. Seventy were secured that day; and then on Monday the order was canceled. Of 1,000 unskilled laborers asked for only 200 were really needed. This illustrates the difficulty of pinning employers down to their real needs.

Another thing that has to be done in regard to each plant is to watch questions arising as to plants that are partly engaged in war and partly in nonwar work. You must have a sufficient knowledge of the plant to make sure that it is transferring from its nonwar work to war work such men as it ought to transfer, and that it is not using the labor recruiting power of the Nation to help it out in its nonwar work.

Accurate data must be secured from each plant as to just when the men are needed—what the situation is as to transportation problems.

You must see that when men are brought to a plant they are properly met, cared for, and housed, and you must keep track of the number of men that are supplied to the plant, ascertain as far as possible if there is a large turnover in that plant, the causes for it; and see if it can not be cut down.

Further, you should get from each plant a continuous record of its labor needs. I think this should be in the form of a weekly report. A supply of forms for this will be furnished you. The report will show the number of men supplied, the source of supply, and the present existing needs, so that you can keep in touch with the needs of each plant much as you do in your present practice, varying from present practice just as little as is possible.

#### ADDITIONAL OFFICES AND AGENTS.

You must have additional offices in your State and agents to take care of them. You will probably have to have some additions to your filing and record forces in the central office to keep track of things, and you will need some addition to your force of examiners to prevent sending men who are not fit, through the failure of adequate examination, to plants in the State or out of the State. There ought to be some way, and you might see if you can make some arrangements with local health authorities to meet the question of physical examination. That is being accomplished in a number of communities, and solves a very difficult problem.

#### SUPPLYING A BUDGET.

The Director General has stated that he is going to see that these additions to your force are paid for. In order to enable us to take care of this we ought to get from each one of you as soon as you get back a very carefully worked out budget of what you think you are going to need, in addition to what you have—what additional offices, what additional equipment, etc., looking at your problem comprehensively, but looking at it carefully and economically. So I urge on every one of you directors, both of the Reserve and Employment Services, to make that one of your first duties when you get home. Get us in touch with what you need and we will see what can be done about it.

#### ORGANIZING COMMUNITY BOARDS.

I would also suggest that when you go back you take up as soon as possible the organization by such methods as seem to you best, of the local community boards, to which I have made reference.

#### PUBLICITY.

There will have to be some publicity in connection with certain portions of this campaign. We are going to discover that war work is short a very large number of men and we shall have to get that message across, for we must let the people know what they have to do. Our present plan is to work, so far as we work from Washington—unless it seems inadvisable to you, in which case we may modify it—in each State through the publicity director who has been chosen by the State governor or council of defense. If that organization does not work well in your particular State we should like to know it, for if it can be made to work it is easy machinery to operate. I wish the directors would get in touch with that publicity agent, so as to see, before he puts out local publicity, that he gets the publicity sent from here to harmonize with local plans and conditions. There is great danger of letting this publicity get away from you. The easiest way to control it is to take personal responsibility for that end of the program.

#### LISTS OF FIRMS INCLUDED IN THE RECRUITING PROGRAM.

As the next step in our procedure, we are going to get here in Washington, at the outset, lists of the concerns to whom the various departments send our orders for common labor. We are going to send these lists, as rapidly as possible, to the State directors and we want the State directors to verify them and see that all are on the lists who should be on them. We are going to provide the State directors with additional order blanks to use in case anyone is left off the list, bearing in mind the limitation I called to your mind, that we are doing this recruiting in behalf of war work and not nonwar work.

We would then suggest that the State director get his lists together and divide them up by recruiting divisions and also see which men and which offices are going to take care of the different plants.



## COMPILING THE REQUIREMENTS.

The next step will be that these order blanks will begin to come in. They are going to come in two copies to the State director. One copy should be forwarded by the State director directly, and immediately on its receipt, to the Director General. The State director should then classify the orders and summarize them by the districts in which he divides the States and should see that copies of them or the orders themselves get into the hands of the men who attend to the plants, to treat them as orders in the usual course of business, verifying and attending to them as part of the work of the Employment Service. As these orders come in they should be checked on your list to see if anybody fails to send in his order or is slow. Get them in quickly, because, as a matter of fact, we can not begin on our big drive until we know the aggregate of the main demands of the country. The basis of our drive is to know the country's needs, divide it up by quotas, and go out after it as a whole, so it is necessary to get that information quickly. We shall ask you when the time comes to telegraph us as rapidly as possible the total demand for your States, in order to confirm our records.

## QUOTAS—HOW ALLOTTED.

The next problem is the apportionment of this whole demand into quotas—a very difficult problem, because nobody can give us anything accurate or definite on the relative extent to which nonessential industry in any particular State has already contributed to war work. All we can say is this: We have two or three men with a good deal of experience whom we are consulting on this question. We are going to allot the demand into quotas and we are going to ask you gentlemen to fully accept them yourselves and get your communities to accept them at as fair an estimate as can be made of the relative shares of the States, measuring the further contribution that each State must make to war industry. Bear this in mind, there is a difference between this kind of a quota and the quota which is used when you are getting men for the Army. The purpose of this quota is not to make a draft on your State; it is to protect your State. A good many States now are getting drained a good deal more than they ought to be drained, and we propose to divide it up and make it more equitable. We want to say during this coming drive: "We will not go beyond this quota in your State; each other State is going to be asked to aid with its fair share so as to relieve you of an unfair burden." We may have to make subsequent and additional quotas. We undoubtedly will, as the conditions change and the demand for labor grows.

## LOCAL QUOTAS.

When you get the quota telegraphed to you in your State from us, generally speaking, I think you will find it advisable in the handling of your own labor problem to divide your State quota into local quotas. This is a recruiting proposition and the Public Service Reserve director is responsible for the dividing of the quotas among his recruiting districts. He ought not to do this without getting in close touch and harmony with the Employment Service director. The distribution of the demands on your State into quotas among the districts of your State is one that we want to leave to you. You know local conditions and you know best how to divide it up fairly. I would only suggest that between now and the getting of the final quota of your State you think out the problem on a percentage basis. Assume you will have to get a certain labor supply of one or ten thousand, and try to figure out how that ought to be divided up on a percentage basis in your State, going down as far as you like into as many counties and cities as advisable. Then, having your percentages worked out, you can apply those percentages to the total quota of your State very readily when it comes, without having to wait at that time.

## DISTRIBUTION—PLANNING.

In the meantime we have got to do a good deal of planning as to how we are going to distribute our supplies. A quota becomes a potential supply. How are we going, carefully and with the least possible friction and expense, to distribute these supplies among war industries? We are going to plan it here for interstate shipments. Let me state the problem: When we get our demand

and supply together we are going to find, for example, that there is an excessive supply in some States and an excessive demand in others. Take a State that will probably have an excessive demand; as an illustration, take the State of Pennsylvania. That State is going to need more than it can supply or ought to supply in its quota. We will study the problem of what other States that particular demand ought to be supplied from in relation to the excess supply of particular States. Then to get the most simple and direct method possible of interstate shipment it is our present plan to do this—I am taking purely illustrative figures. Let us assume that Pennsylvania needs 20,000 men from outside of the State; we will authorize Pennsylvania to draw on, say, Illinois for 5,000, Indiana for 3,000, and Ohio for its quota whatever the number may be, and so on. We will notify the drawer State and each drawee State of the extent to which the drawer State is entitled to make requisitions for interstate shipments from the drawee States. Having done this the simplest and most direct way is to leave it to the State directors of the drawee State and each State on which he is authorized to draw, to work out between themselves the details of when and where and how the men are to be transported between those States without putting it through any intermediate offices, which would involve hours of delay and lack of directness in operation. In other words, Pennsylvania will be authorized to draw, as a recruiting process as the men are needed, on Illinois for 5,000. When and where they make those drafts, is to be worked out between the two State directors. We do, however, want copies of all correspondence and information about interstate shipments sent to the Director General, so as to keep us all informed.

#### LOCAL DISTRIBUTION.

Now you have your own local State problems of fitting your local supply to your local demand, which is very much akin to our problem here. Labor to go out of the State ought to be recruited from as near as possible to the central points from which you will ship out. So you have got to study the movements of men from one part of the State to another. You ought in some way to work it out by districts and either make a little chart, or put down your figures and work it out as a problem. I had Mr. Stone make a map of the State of Indiana to illustrate that problem. It illustrates one point that he brought to my attention and is very interesting.

(Here Mr. Smyth went to the blackboard and referred to the map.)

Here is an interesting feature that comes up. Here is Gary, Ind., not far from Chicago. It seems to us that it would be inadvisable to make these State lines rigid—to insist absolutely upon supplying the local needs of Gary, so far as possible, from the Indiana supply if it means that you have got to move men from way down in the southeastern part of the State when there are lots of men available right across the border in Illinois, in Chicago. That is a type of situation that may come up anywhere, as between Pennsylvania and New Jersey or other bordering States. We can not attempt to solve such local problems for you. The thing to do is to have the State directors of such States get together and work out some solution. The economy distribution of men makes the solution direct, quick, and simple when you get to it.

In the illustration given, Illinois might, for example, supply some labor from Chicago for Gary out of the Illinois quota and Indiana ship an equal number from its southeastern counties to, say, Pennsylvania and credit that number to the amount which Illinois ought to ship out of the State to some eastern point.

Such problems should be worked out largely on the basis of transportation facilities, rather than on rigid State lines.

Now when we come to the actual operation: You get a demand for a certain plant that you want to fill. Gary needs a thousand men, we will say. You are to supply it as much as possible from the State. What are the steps in doing it? Well, a certain number of these men can be supplied possibly from those who apply at the Employment Service offices. The probabilities are, however, that you will have to dig up the men from other parts of the State through the agencies of the Public Service Reserve, which stretch out through the State. The Employment Service should notify the Public Service Reserve of all details possible as to just when and where the men are required. In planning your



distribution it would be well to assign certain localities to certain plants and recruit only for such plants in such localities.

A good many of you will probably find it is advisable in the solution of your recruiting problems to keep a little ahead of the game. The Public Service Reserve agents looking for unskilled labor should be provided with a supply of the ordinary Employment Service application blanks for employment and if he can get, through night work and other ways, men who are fitted for the kind of work lined up a little ahead of time it will help in solving the problem. I hardly need caution you gentlemen, with your shipyard volunteer experience, that you want to be mighty careful not to get them lined up too far ahead. Try to get correct information as to whether they are going to be needed the next day, or in a week or so.

In recruiting for out-of-State shipments it is just as well to give as much advance notice when men are going to leave definite points and where they are going and of all terms and conditions as you can work out in actual operation. The actual movement of the men is the job of the Employment Service. They will perform it very much as they do now, trying simply to perfect and simplify their methods.

#### PROTECTING WAR INDUSTRIES, RAILROADS, AND THE FARMS.

Now, in getting these men, at every step let me emphasize again your responsibility that men are not to be recruited for one war industry from another. It would be a good idea in each State when the reserve agent recruits a man to have the reserve agent sign some memorandum making himself to some extent responsible, showing where that man is coming from, for the purpose of discouraging, as you must discourage, in every possible way the devastation of farms and railroads of labor and the taking of men from war industry. Your responsibility is not to rob the farms and not to rob one war industry for another. It must be your constant care individually to see that this is not done.

#### KEEPING RECORDS.

Certain records will have to be kept of this work. You will have to keep track of each individual war plant and its demands. You will receive your weekly report and you will have to work out your own methods of keeping watch over them. We can probably send some suggestions later as to the best methods of keeping track of what is going on. Copies of weekly reports we shall have to get here for such use as we may want in checking up whether, as a whole, we are doing our duty by the war industries of the country. We want you to keep track also of what is done for the purpose of watching the quotas, of the number of men who are supplied from the different divisions, so we can make good in our undertaking that we will not unduly drain one section of the country in the interest of another. I do not think it is necessary now to go into any further details on those points because they are questions of practice which will be elaborated later.

#### THE PROGRAM FOR SKILLED LABOR.

Now, a word about what we are going to do with skilled labor. According to present plans, in the development of this program we are going to use this same machinery. We are going to let you put it up and get it in operation and find out all the faults in it and how to handle it on the simpler problem of unskilled labor before we attempt to put the screws down to prevent employers getting their own skilled labor; although, as we pointed out to you before, we are going to do everything we can in the meantime to get the skilled labor for employers who ask our assistance.

The general method proposed for getting skilled labor is this: The fundamental principle is to get a knowledge of the demand and then divide it up where we find the supply. Now you can make quotas on the basis of general estimates on unskilled labor, but we have got to get at our supply of skilled labor in some other way. The present plan, which is tentative and subject to your constructive suggestions and to modifications, is this: We shall pick out certain specified trades for which there is especial need at the present time in war industry. There may be peculiar need because of the number of men in that trade who are required; there may be a special need because of the rarity

of the bird that you are hunting down. With that list we are going to set a date in advance, as we do now, and say that on and after September 15, for example, because, of the scarcity of that kind of skilled worker the Employment Service is going to count all the resources of the country as in one common reservoir and distribute from it among those in need, and that therefore on and after that date private solicitations for those skilled workers must cease and we are to handle it. During the interval we will find out, just as we do with unskilled labor, just what war industries need in these specific trades. When it comes to getting our supply no one has suggested a method that seems likely to work except one. I think we are all agreed it is a feasible method. It is that through the agency of the Public Service Reserve we will start out on a big intensive recruiting campaign in every community to register every man engaged in nonessential work who is skilled at one of these skilled trades. By "intensive" I mean this: We are going to have our agents looking everywhere for the kind of men we want. There will be some publicity about it. It has got to be known that men of such and such trades are wanted for war work, and the men of these trades who want to get into war work will have to be told where and how to enroll. We are going to begin to distribute at once the men enrolled through the Public Service Reserve and the Employment Service and keep it up so long as we can find them. We will make an intensive campaign, not to get all the men who claim they are boiler makers, for example, but all the men who are boiler makers. We shall ask the Reserve to enroll the whole resources of each State of men in these depleted trades in nonwar industry and to report to us what you have. Then we will be able to know here in Washington what is the present possible supply of boiler makers and other men needed—know what our resources are. If the demand is greater than the supply we will be able through the priority committee of the War Labor Policies Board to distribute that supply where it ought to go rather than in a purely haphazard fashion. We can further bring it to the board's attention when the supply of any kind of skilled labor is giving out, so as to begin to train men to fill the gaps.

#### PREVENTING TURNOVER.

Now there is still another matter that I want to bring to your attention. It is mighty little use dumping labor in great quantities in at one end and having it run out in great quantities at the other.

The greatest two things necessary to stop turnover are first, the central recruiting program, which is being put into effect as rapidly as we can, and second, the efforts which the War Labor Policies Board is now making to standardize wages, beginning with unskilled labor and extending as rapidly as possible to skilled labor.

These steps will eliminate two of the three great causes of turnover. The third cause exists in the conditions—the lack of morale and the lack of esprit de corps prevailing around the places of employment. The question of housing has been placed in the hands of the Secretary of Labor with a big appropriation and a big man to administer it. Something at last is going to be done on that particular line. But the question of housing, so everybody agrees who has reported on causes of turnover and conditions at the different plants, is just half or less of the whole problem. The men working in the plants, or rather, a good many of them, have not yet the right spirit. They do not see their work in its patriotic aspect. They see the high wages and hear rumors of higher. No one brings home to them in such a way as to grip their emotion and their will that our Nation's future and the cause of the allies depends to some extent on their service.

#### HOW WE CAN IMPROVE CONDITIONS.

It is our responsibility to see that something is done to improve these conditions as far as we can. Your conferences with employment managers, if you organize such, will be able to take the initiative in studying these questions and remedying conditions locally. In one of the States where they have established a board of the kind I talked about, they have instituted Y. M. C. A. activities which help to give esprit de corps to the worker. A realization of his duty toward his work is a matter of great importance in getting efficiency and keeping a man at his job. There is one thing we are going to do—get out a poster, which you will distribute to every war work plant in your State with your attestation on it, stating in general that this plant is doing war work;



that the United States Government is supplying it with labor; and then stating in carefully chosen phrases that it is the post of duty for the men there and that they should stick to it like soldiers.

To my mind these men in war industry need this sort of thing, speeches, etc., that go to make up morale even more than the Army, for the man in the Army has his uniform, discipline, and infinitely more to keep up his morale than has the worker in a war plant. We surround the Army with all kinds of activities to keep them up to a high moral standard, and let our workers in the plants go without any united effort to see that they feel their responsibility. If you could get going a movement to have workers in the plants devote half their wages or some part of their wages one day each week to the purchase of Liberty bonds or thrift stamps, you would start a program that might have infinitely valuable results.

#### WE MUST BE LEADERS.

Now just one closing word. It would be a great mistake if any of you should go away from this conference—and I don't believe any of you will—without realizing that you are going back to be leaders in your community in a great program that has to be put over. The Food Administration had to put over a negative program of food saving. The Labor Department has to put over with the public a positive program of "work to win the war." The Food Administration through men chosen very much as you are—some of them less able, and some of them more able—has carried their message successfully to the public. They have had more money to do it with; but what they did was to get behind them a great force of public opinion. We have come to the time now when all through the country people have got to wake up to the necessity of work for war industry. The country has not waked up yet. Washington is hardly awake yet. It is one of the most pressing, difficult, and dangerous problems that confronts us. I sat, the other day, in the office of Provost Marshal General Crowder, who has done a most tremendous job if ever a man did. They were trying to get him to release certain men who were wanted in the coal mines but were being sent off in the draft. Not commenting at all on his action or decision, I wish you could all have heard what he said. It was along these lines: This country up to date has been infinitely more generous to industry in its drafts of men for fighting than any other country. We are practically limiting our fighting force to men of 21 to 31, while in other countries they are running them in all the way from 18 until they are too old to totter around. In these other countries, as the soldiers have gone to the front, in France, England, and Italy, every man at home is doing his best to meet the industrial problems of the country. We have not yet realized as individuals, as employers, as communities, how absolutely necessary it is—and it is getting more and more so every day—that every man who possibly can should get into war work; that the war has got to be supplied; that non-essential industries must give up; and that the men working in nonessential industry must scurry around and find their places in the war work.

#### A PROBLEM IN EDUCATION AND INSPIRATION.

Now you have all been interested in the "Work or go to jail" problem. I want to tell you something from personal knowledge. I spent eight years of my life as an assistant district attorney in trying to send fellows to jail. I am convinced that no one can ever put across a big inspirational or moral movement in a community by sending men to jail. The men we want in war industries are not idlers who will work only because if they don't work they must go to jail. We must put over a big positive program of teaching, of inspiration, of awakening the public, and you gentlemen are the prophets who have got to put it over. The trouble is nothing else than that the public does not yet realize or understand. You who do realize must teach them. One thing has become clear to us in this country: It is that when the American people understand a war need they come to the scratch and supply it immediately. The dearth of men at the present moment in war industry is due to our failure to make the people realize the need. Once we let them see what it is, you and I and all of us will feel behind us, brushing away all obstacles, remedying all our impotent efforts and defects, swinging us along in an overwhelming current to ultimate success, the mighty force of the will of the American people to win this war.

The afternoon session was called to order at 2.15 p. m. Charles T. Clayton, Assistant Director General of the United States Employment Service, the chief speaker, was introduced by the Director General as follows:

In the staff organization of the Employment Service here in Washington, the speaker who will address you is one of the pioneers. He was in this organization before any of you were, and before I was. He was in it at the time when it had no money at all to do anything with, and he did some splendid work, handicapped as he was at that time. He is not going to tell you of the difficulties he has had prior to the independent establishment of the Employment Service, but he will tell you some very interesting and instructive things.

### ADDRESS BY CHARLES T. CLAYTON, ASSISTANT DIRECTOR GENERAL OF THE U. S. EMPLOYMENT SERVICE.

#### "The Organization of Employment Offices."

In the first place, you are not going to get any oratory this afternoon, but instead, a plain blunt statement, because the assignment given me is to talk upon the intimate and small details that go into practical employment service. That is one angle of our job of being the key to a solution of America's labor problem; for it seems to me, as it has seemed to those much wiser than myself who have given thought to this subject, that the key to the solution of America's labor problem lies in immediate, direct contact with the men who are called collectively "the labor problem" and an understanding of what is in their minds and why it is there. Now such a key as that has been talked of and philosophized about, and various plans and suggestions have been made looking toward the creation of an instrument; but the United States Employment Service is so far the only attempt to create an instrument that will or can be made such a key.

I picture the Employment Service as a bird with two well-developed wings. One wing is the regularly constituted employment service and the other is its invaluable auxiliary—the Public Service Reserve. The functions of these organizations are interlocking and neither would be complete or completely useful without the other. The Public Service Reserve is largely manned by men who give as much of their time as their enthusiasm and their opportunities permit; and they do the kind of work that high-grade men who volunteer in that way can accomplish so splendidly and thoroughly. The work is, first, of propaganda and publicity—the promotion of a more thorough and better understanding—and then the creation of reservoirs of men available for the needs of the country as those needs develop during the war. They supplement the Employment Service as to particular vocations in which the service needs a supply.

For example, the shipyards need coppersmiths; a few coppersmiths are asking the Employment Service to be directed to a job, but not nearly enough to meet the need. Where are the coppersmiths to be found? Obviously not from the small number of men who are looking for jobs. The Public Service Reserve organization here becomes invaluable; it can find the men in other occupations who have been coppersmiths and have drifted into other trades. It can find men who have the training that will fit them quickly to become coppersmiths. It can find men who are now acting as coppersmiths in nonessential or nonuseful industries, and having found them can register them and induce them to see the supreme obligation upon them that they must do not just their bit but their fullest and best for our Nation.

#### WHY RESERVE DOES NOT PLACE WORKERS.

The Public Service Reserve's task is finished. It lists the coppersmiths and has them ready for the service. Now, why should not the Reserve go out and place these men? They can find openings for them just as easily as the Employment Service; so why shouldn't they? The reason why it should not do it will be obvious if you consider a couple of circumstances. In the first place, no man should be taken from an occupation so long as a man having like experience is without an occupation; and then, if the Public Service Reserve was



to become an employment organization completely engaged in all the different phases of employment work, it would put itself into direct competition with its brother organization; each of them would be hunting for employers with whom to place workers, and neither of them would be discharging the full function. In the second place, they would be duplicating work, and the employers would not know to whom they should apply. This job is a natural monopoly, in the same sense and quite to the same extent in employment work as the work of the Postal Service is a monopoly; and the work of employment in this country must be made a full and complete monopoly to be, as the Director General puts it, 100 per cent proficient.

I wish I could be an orator. I sat this morning and heard those magnificent periods from the Assistant Secretary of Labor, and wished I had the training of the crusader he has been all his life, a crusader for essential democracy; because that has trained his tongue as it has trained his mind until he has become a veritable thunderbolt on the platform. I wish I had the experience that has been that of our good friend Mr. Smyth, whose training has made him one of the most effective speakers in our service; but I have not that; I have not even the sinful good looks of the Director General, so all I can do is to talk plain common sense and help you plan to carry out the policies which have been outlined for you.

I want to say that those policies strike me as the essence of wisdom. They are what this country has been waiting for. It is your job to help the country understand those policies in action. Every employer in the United States, as rapidly as this service can be expanded and trained, will be coming to you with his labor troubles. They will come with complaints and advice; they will come, let us hope, with constructive suggestions; and if our policies are right and the application is sound, the employers of this country will be as much united behind the service as the organizations of labor have been. You know, perhaps, that we had one very happy experience last year—one of the pleasantest memories I have—when Congress passed the first appropriation for employment work they passed it knowing—because the letters were read in their ears, in the Senate, and put into the Record—that the service was indorsed by the Chamber of Commerce of the United States and by Mr. Samuel Gompers representing organized labor; both on one platform—something that has not been usual.

We have thirteen employment districts. New England is the first, lacking one State; the second district takes in New York, New Jersey, and Connecticut; the third, Pennsylvania and Delaware. The fourth comprises Ohio and West Virginia. The fifth is on the Atlantic coast, going down to Georgia—that is, taking in Maryland, Virginia, and the two Carolinas. The Gulf coast is the sixth district; then comes the seventh, the great central field about Chicago—Indiana, Illinois, and Iowa and the two Lake States. Then the Western States, of which I know much less because the Director General has managed them himself, but those districts have an empire of territory and a very great number of men who can be used in essential industries, perhaps more who can be transferred somewhere else when we have apportioned the distribution in the Eastern States.

#### DISTRICT SUPERINTENDENTS AND STATE DIRECTORS.

Each of these districts has its superintendent, and within each district are the Federal directors of labor for the States. Now how are those functionaries to work out their interrelations so that the policies that are handed down to them from above shall be carried out successfully and without any crossing of lines? In military organization the commander in chief is given the general policy. He issues an order to the Army of the West: "You are to take certain cities; you are to take a certain point in the line;" to the Army of the South, "You are to hold a certain place," and that is the extent of his order; he leaves it to the division officer in charge to work out the details and apply the policy to the officers beneath him so that they can carry the plan into effect; and so on with the Quartermaster, Ordnance, Signal Corps, and all the rest of the branches. Each has his particular job. In the same way, our job in this Employment Service is to divide the general policy issued by the Policies Board and confirmed by the Secretary of Labor, as Labor Administrator. How shall you apply it?

The business of the superintendent is first concerned with fiscal relations. You have a copy of the first number of what will be, I hope, a complete series of instructions for the whole service. We haven't the time to read this just

now, but just a word about its contents and purpose. Government methods of accounting follow two distant lines; one is what is known as allotment accounting, and the other is item accounting. This service's accounting system is based on the allotment accounting method. Each of the 13 employment districts is allotted a certain sum of money which in the discretion of the district superintendent is to be used to cover the incidental expenses of operation of the service within his particular district. The salaries of the personnel are paid under a special allotment from the central administration. Then there are certain other items of expense that are paid centrally, such as railway transportation, telegrams, stationery, etc. These are handled in this way: The district superintendent is authorized to expend money for travel—a travel authorization. He has general travel authority within his district, and if he wants to send a man to travel from one point to another within his district he issues his own letter of authority. If a man in Maine is wanted by the State director of employment there to travel from Bangor to Portland, the authority can be issued by the district superintendent.

Now, that is better for the general management of the service and for the officers in these different States, for Government accounting is quite complicated. Sometimes you are pained to find you have charged several things for which you could not be reimbursed. It is not easy to keep track of the different meticulous little divisions in accounting that are imposed upon Government officers, not by the whim of some auditor but by a most carefully involved statute. It has a most dampening effect sometimes on Government operations; it is a very bad thing for initiative, but probably is good on the whole, because although sometimes it does keep a man from doing a thing he thinks he ought to do, it can be operated pretty well by men who thoroughly understand it, and no man who does not thoroughly understand Government systems should be trusted to spend Government funds.

This little folder shows how to use the allotment records and account for expenditures. Every man in the service should be required to read this until he knows it by heart. That is one of the first things for you to do; to develop a real understanding of the methods of Government procedure, so that the man whom you send out will not render accounts that must be continually held up for verification or correction. That gets the men so disheartened that they lose initiative.

#### ACCOUNTING SYSTEM.

The superintendent makes up the pay rolls for all Federal men in his district and conducts a complete accounting office. He handles accounting of purchases that come out of his allotment, such as typewriters and supplies bought locally. He does not appoint people himself. The Director General can not make an appointment; nobody in the United States Employment Service can appoint a man and put him on the pay roll, and we often have trouble with the poor fellow who thought himself appointed in good faith but finds his mistake when pay day comes around. Under the statutes, money can only be spent by a department or an independent bureau authorized to make such expenditures. If we want a man appointed to the service we make a recommendation to the department, which will attend to the appointing. If the department confirms, the man goes on the pay roll as of the date it selects. That can not be a day ahead of the time, although under an arrangement that has been permitted during this war, we have what is called a "job employment," which permits the selection of a man under a blank authorization in special cases, and the confirmation of that takes care of the necessary appointments that must be made just now to meet emergent necessities. The department must transmit all appointments that are made.

If a Federal director of employment for any State desires to make an appointment he selects a man who he thinks is satisfactory. He lets the superintendent know whom he has chosen and gives him his reasons. This is not because we question the judgment of the State director, but because under the law we are required to make a statement of the reason why that particular man is appointed, and if the Director General recommends an appointment in Washington he has to give his reasons for it the same as you do. Those reasons must be indorsed on the recommendation, written out in full, and recorded, and they have to be good reasons, too, because some day the auditors may look at them. This recommendation goes to the superintendent and he gets it on his books so the fiscal end of it is sure. Then he transmits it to Washington and the Director General recommends to the department, and if the de-



partment approves, the man goes on the pay roll. Such little things make all the difference between an enthusiastic employment office and a dead one. If you take care of these as they come up, the service runs smoothly; it will be able to put all its attention on to construction rather than upon these small and yet very essential matters.

The superintendent carries out the policies in a general way. How can he carry them out in a more particular way? I think he ought to visit his territory very frequently. He should call upon the men in the different offices, but in calling upon them he should remember that he is not in charge of the individual offices because they are in the charge of the Federal director for the particular State. His business there is in an advisory capacity, but with a broader outlook and a wider vision because his job in itself gives that broader outlook. But when he goes into an employment office he goes in to show the local man how best to do his duty under the orders of the State director to whom he reports.

#### CLEARANCE WORK.

Last of all, the job of the superintendent is to see that clearances are carried on regularly and fully. You heard a very clear and full statement this morning from the Acting Assistant Director General upon the policy of clearances, splendidly well thought out and I think exactly what we need. But how are we going to make these clearances? Every officer here to-day has in his possession certain blanks. They are numbered as Forms Emp. 9 and Emp. 10 and if you will look in the envelopes you have in your hands you will find copies. These forms are similar to the form in use by the English Labor Exchange system; almost the same forms as these have been used successfully in the great State service of Ohio. The first is "Report of orders for help unfilled and impossible to fill locally." These you see are forms for the local employment offices, but they should not be used in a merely routine way.

We will suppose that on Monday night there has been received at an employment office in Oshkosh an application from John Smith for a job as a coppersmith. His principal occupation is coppersmith, but he has had experience also as a tinsmith, and he puts himself down as a coppersmith and tinsmith. There is nothing in town that the local office knows of for a tinner or a coppersmith, and they can not think of any employer in the locality who is likely to want one. Your men are not to stop with the perfunctory statement, "I haven't got any job for you." They should study their locality and learn the needs of the local employers and the whereabouts of men who can do work. This is the most steadily busy job that a man can have—this work of being an employment office local superintendent. Such an officer's information should be an epitome of the employment needs and knowledge of his community. He should know every employer in that community who is likely to need a coppersmith. He should know every employer in that locality who could use a tinsmith, or if he doesn't have the information he should know where to find the authorities, and then if he finds after looking into it that he can not place that man, he goes on this list, Form Emp. 9, and it goes to the State clearing house for immediate attention.

Suppose that on Tuesday that man is still unplaced. He goes on that list again on Tuesday, and if he is not placed by Wednesday he goes on the list again on Wednesday, and keeps on going on for two weeks if he doesn't land. If you can not place him in two weeks take him off and count him a dead application. I say that advisedly, because it is not fair to your service, it is not fair to the applicant to put him on the list and let the name and application die and be forgotten. If it is put on every day you can not forget the applicant, and your man ought to be instructed and required to do that. If applicants are told at the beginning that their names will be dropped if not placed within two weeks, unless they report and ask for renewal, they will report.

Now, take the other blank, Emp. 10, which is just now still more interesting—the report of orders for help unfilled and impossible to fill locally. If you will notice, there is one omission; it does not give the name of the employer. We do not want the employment offices all around the State trying to take care of employers in other localities. If they have a man to fill a job reported here, that report should go through the local employment office nearest to the employer's place and in that way you are sure that there will not be a report of a job open and send a man in, only to find that the job meantime has been filled. When these reports go to the clearing house they have more to do than just match the different lists by occupations. It is improbable that reports

will come in from one office giving a list of six or seven different men of six or seven different occupations and not a single call from another office in the territory for any occupation like that, because that is what is happening every day, and these blanks will simply reflect the truth as it is in employment. There is where the State clearing house has its real job. It is not supposed to stop with simply matching up as a matter of routine. They are to go out and hunt the men and the jobs, first, of course, using the other wing, the Public Service Reserve. Call on the Public Service Reserve volunteers and help them find jobs for the men, if you haven't got jobs in sight. They will be tickled to death to be of assistance to the Employment Service in that way. Get in touch in every way with those volunteer agencies. The Public Service Reserve can and will be one of the greatest possible assets to the effective employment work by finding men and jobs as an outside recruiting agency for the Employment Service.

#### MUST HAVE FACTS.

In Mr. Smyth's talk you saw, as I have seen, visions of great and powerful means of organization of business in every community organized with an understanding of their local needs and their local possibilities of supply that can be given statements of what labor is needed there or elsewhere, and by united action can assist their Government. A wise and active Federal director can organize employment in his communities through the information these clearing blanks will afford. What they elicit is an everyday report of every call for a job that has not up to that time been supplied. They are a source of the exact information you must have. It is very well to have general policies. We need a vision of what is far beyond, but in employment work you must have absolute and certain knowledge of present-day facts. You must know how many men are wanted and how many will be supplied; what are the wages, what are the conditions in the plant. Exact information is always the first step to doing a real job well.

Organization of a local employment office. Let us now consider briefly the organization of the local office. We ought to have as nearly as possible standard equipment, the same filing systems and the same filing cases. I am setting up that merely as an ideal, because with the railroads carrying only certain goods on priority orders and the carpenters and furniture men not completely supplied, it is not now possible to get uniform equipment, but as nearly uniform as possible should be the rule. I hope we will shortly be able to place in your hands a sketch of what should be standard equipment for an employment office. Men trained in one office can be transferred much more easily if the other office uses similar equipment; and if you have standard equipment you will save a great deal of worry with experiments. Stick to one rule even if that one rule is not the ideal rule, is good policy for a large organization.

As to filing systems—there will shortly be published a little folder that will suggest the best filing methods for cards, records, correspondence, and copies of correspondence that should be retained in the files, and all other things that should be kept permanently in the filing system.

Next is the organization of office personnel. A large number of the offices have only two men. One might say, Well, with only two in an office, how can there be any division of work among the personnel? But there can be, even with only two. Each man can specialize on one thing or one series of things, and he should make himself the community specialist on those things. If you have several examiners in an office, each examiner should have certain lines of trades and occupations and confine his examination to them; he should be a specialist upon those trades and occupations. A two-man office can do the same thing—can specialize—and in that way become efficient. This is a day of specialization. Trades are being split up into minor occupations; the war has given that a great impetus. We are going fast into training of labor involving such specialization. If our examiners do not keep pace with the advancing thought of men on such subjects their examinations will be valueless.

#### BEST MEN IN PERSONNEL.

Organize the personnel with that in mind and select men for appointment keeping that very much in mind. We do not want a good fellow, who is a "hail fellow well met"; a man who is a politician first and a worker some-



times between political appointments. We want a man who has done something, who has thought, who is not afraid of a book, and if possible who has mastered some mechanical trade, for that man is going into an office where he must deal with men of mechanical trades.

That is a hard rule to lay down for the kind of men you should get, especially with the salary scale we have, but it is the ideal. It is absurd to put a man who does not know any mechanical trade to analyzing men for mechanical trades: he can not tell a mechanic when he sees one; he will make mistakes so frequently that he will become persona non grata to the employer. We have a few instructions for these examiners. There is in preparation—and a part of it has gone to press—a book that will present an analysis of trades and occupations, by titles and by brief definitions. It is a job analysis book. Perhaps I ought to explain that; it is a trifle mechanical.

Employment managers analyze the work that is done by every employee in the factory and state in a form of a definition what that man does, telling exactly what the work is. They call that a job analysis because it is an analysis on the job the man has to do. In connection with this employment managers usually carry out a time-study analysis that shows how long it takes to do each operation of the occupation. Our examiners are not concerned with the time study, but they are in knowing just what a man is going to be called upon to do for the employer. They want to know that in order to send the right type of man with the right kind of training when the employer has filed his call. The purpose of this book, which is code indexed all the way through, is to make it possible for the examiner, with a copy in his own office, to receive a code word message from the employer with the number of men wanted, to turn to the back and be able to tell exactly what that employer wants. One of our Army people sometime ago told me how Gen. Pershing once called for 100 motor experts. It took the War Department several days and cost them the expense of assembling a number of men under a misunderstanding of what constituted a motor expert, and they had to finally get him to send about a thousand dollars' worth of cablegrams explaining what he wanted. That is the kind of misunderstanding we want to eliminate. If we send the wrong man to a factory now the manufacturer says, "This service doesn't know a mechanic when it sees one; I won't send to them again." We want to avoid that by training the examiners, and to assist them by such aids as this book.

Another proposition, which has not yet been confirmed, so I can only make it as a suggestion, is a trade-test book. This plan is being tried out in the Army, and their experience has led us to believe that we also can use it to great advantage. I will tell you briefly what it is. Each trade is given a page in the book, and on that page certain questions are asked, designed to bring out whether the man really understands the trade as an expert and is sufficiently qualified to take charge as a foreman, or whether he is only qualified to take charge under some one else and may be termed a journeyman, or whether he is just a beginner. The Army thinks that works out very well. I believe it ought to be helpful to us. The Army wants only some five or six hundred occupations; we have to take care of over 7,000. With that number it will be some time before such a book can be complete. I may say that the first two chapters of the first book are finished and have gone to press.

#### EXAMINERS SHOULD VISIT PLANTS.

One other suggestion: I have on several recent occasions had the honor of speaking at manufacturers' meetings in different parts of the country. On each of those occasions I have discussed with them the possibility of their throwing open their establishments to and inviting employment examiners in their locality to visit the plants and learn at first-hand and by experience just what the needs of that establishment are as to the qualifications of the workers. I have found them interested in every case and perhaps given a new view of the desires of the Government's Employment Service and its will to become efficient. I tell you this because I think you ought to do the same thing with manufacturers' organizations and manufacturers' meetings. Send your examiners to visit every plant. Have them spend some little time there looking the situation over and have them get in touch with things so they will know what the employer wants. We can not and we dare not undertake to run an employment service with a monopoly of the furnishing of labor without putting upon our hearts the obligation to know every portion of our work, to be efficient public servants.

Next are office reports. There are a number of report forms in those envelopes. Consider the daily report marked "Emp. 2"; that is a report of ship labor. There has been a considerable amount of criticism of this form. So far as I have discussed those criticisms, however, I have found them based upon a misunderstanding of the purposes and method of the report, so I want to talk over the report with you.

"EMP. 2" EXPLAINED.

You will find it contains lists of occupations, practically all the major and most of the minor occupations in shipyards. How can this form be used in an office that has several examiners, with some examiners handling some of those occupations and other examiners handling the remainder of them? Each officer who has a use for these blanks in his work as an examiner should first insert carbons sufficient in number to make the needed copies. Then he should use the blank thus: Take the title "Anglesmith." In the beginning of the day he will look at the number of cards or memorandums that he has on hand and see how many anglesmiths are called for. He will enter up the number. Say he has a call for six anglesmiths, he will write the figure 6 in the column "Orders on hand." Now nobody else is handling anglesmiths, so it is not going to make any duplication if the personnel is properly organized. During the day there might be a call for two more anglesmiths, and instead of writing the figure 2 under "Orders to-day," he will put two tally marks. Why two tally marks instead of the figure 2? Because if later in the same day another call comes for three more anglesmiths, he would have to erase the figure 2 and put in the figure 5, while by using the tally marks three more tally marks are added to the two already there. "Applications on hand" and "Applications to-day" are treated in exactly the same manner, the "On hand" being the applications carried over from the previous day, and "to-day" the applications arriving during the day's business. Those that have been "Sent" and those "Reported placed"—the usual entries. The "Balance" columns are for an entry to call attention to the fact that they have more or less than are called for.

For instance, we will suppose on anglesmiths that a total of 11 have been called for during the day, some carried over and some presented as the day's work went on, and that six had come in and been sent out. Now, then the "Balance" column would show 5 minus. What is that 5 minus? They were short five men on the call for anglesmiths in that community. This blank is not intended to be permanent, but to enable the service to keep track of class A1 in war emergency needs—the building of ships. It should be used by all offices, interior or at the seacoast, for the interior offices are the feeders from which supplies of competent men must be drawn if we are to have enough men of the right kind at the ports. If there are three or more examiners handling each a portion of these trades you do not add the reports, but simply send a copy from each man's desk. That is all that is necessary.

"EMP. 12" EXPLAINED.

Weekly Report, Emp. 12: There has been some questioning about this form. It was intended first to extract information that we want weekly; second, to lay the ground for another report which will shortly be ready—a daily report which we will want from every office in the system every day. The best report of that kind that I know of is at present in use by the New York State employment system. The English reporting system is nearer in principle to the New York system than any I know of. They have there had 12 years of practical experience upon the subject. We need a daily report devoted as minutely as will be advantageous to analysis of occupational demand and supply. An announcement that during the week an employment office has placed 1,000 people at work means absolutely nothing; 999 of those placements might be made up of 333 men placed at window washing three times. It is the easiest thing in the world to get reports padded out by these casual workers who are continuously "revoluting" in and out of employment offices, not to the real benefit of the community, not to the real benefit of the service. So we want to know just what placements have been made.

The weekly report has two columns under the heading "Occupations"; the first is general, the second specific. A carpenter (which is a general occupation) might have the specific work of building stairs. A machinist, which is now a



general term that means any of some forty or fifty occupations, might be running a plane—"a planer hand," for a "planer hand" is a kind of machinist. We want to find out what occupations should be on the weekly and the daily report, and the only way to find that out is to take a consensus of experience, by having reports made out from many offices, coordinating the information thus secured, and from that drafting a complete report that will portray the general need of the country.

The other columns in this blank are simple: the number of orders and workers wanted, the number of applicants sent and those reported placed. One caution is necessary, although I hardly thought so when we sent out the blank. One office wrote in this request: "Please tell us how in the world we can use that queer blank for a weekly report. There is no place on there for men who have applied for a job unless there is a call from an employer for it." It had not occurred to him that he could put ciphers in the needless column; indorse the occupation and fill in the call, if there is any call; or fill in the application and leave the "call" column blank. It is obvious that this blank at the close of the week's work may have 50 occupations called for by employers and not a single man having the wanted skill for them; and a hundred applications for a job and not a single job fitting a single one of them. But this is what we want these blanks to bring out. It will enable us to get a picture of what the community is specializing in and what a community ought to be called upon to do to place its people profitably at work. So much for the job of reporting.

Consider now the means of handling men who are transported from point to point. We have a wise ideal laid down in our general policies, that men should be placed locally if possible, and should not be transported any farther than is absolutely necessary. They should be kept near the point of origin and not be taken away, except where it must be done. That is sound common sense; it appeals to the judgment of every man who heard it. The question is, How are you going to apply the sound common sense? Because there is a great deal of sound common sense that is difficult of practical application. To-day the Employment Service is just as guilty, I am afraid, as the employers of recruiting men at a distance and transporting them a long way when it might perhaps have found them nearer by. This is largely due to the general disorganization from which we have been suffering, and the necessity of keeping our little boat floating along the sea a little ahead of the wave that seems ready to swamp us. We must do the best we can until we get something better than the best we now have, but the ideal should be local placement first and always—each city doing its utmost in self-help and then assisting farther distant points as far as they can. Only by keeping that constantly in mind can we prevent this movement of labor that is such a waste of man power in idle time and cost of travel and expense to employers and to the Nation ultimately.

#### SEND ONLY THE RIGHT MEN.

When it comes to handling these men the problem is how to get them through without losing them. How to take care of them so as to make them comfortable, how to assemble them at the right time, deliver them in good shape at the right place. One of the first essentials is to send the right men so that when they get there they will not be turned away; that point is not yet well enough worked out. We probably will ultimately have a man representing the employer go to some point as near as possible to several communities providing workers, and there attend to the analysis and hire the men before they are transported, as far as it can be done; because the Nation can not afford to transport a man a long distance without reasonable certainty that when he has been brought that distance neither he nor the employer will be disappointed. It must not be forgotten that although we speak of labor as though they were a mass, they are just as dissimilar, not only in face and figure but in minds and experience, as any of us here differ from each other, and there never was and never will be a mass of labor that can be thought of as a mass, if you think of them intelligently. So when you get to furnishing labor to an employer whose call comes to you, you must have in the back of your minds and in the minds of the men in your office: "Will these men's qualifications meet the needs of the employer and will they be given proper employment if I put them on the train and send them to that job?" because the first principle of employment work is never to send a man to a job that he can not fill.

## COMMUNITY CONTACT.

Community contacts as a last element: There is one of the places where the Employment Service can be most helpful to the Government. I have visited two or three meetings of employment managers in different parts of the country and in each of those cases have sat down and talked with them about their problems. We have talked turnover, investigation of job analysis and the means of organization of forces for the greatest amount of efficiency; of routing, of handling material, of all the multifarious, complicated things that an employment manager in every plant gets to be constant adviser upon, for an employment manager in manufacturing establishments these days is an advisory capacity for every departmental chief in the factory. He is not in charge of anything, but he is father confessor of them all. On several occasions I have asked these employment managers if they did not think they should constitute themselves advisors to the Employment Service, and in every case I have found them very receptive to that suggestion, because they had a feeling that the Employment Service needed their expert information. You have a chance to get these employment managers as free advisers of large caliber. They belong to a class of highly paid men—salaries in employment management run from \$2,500 to \$25,000 a year. If you can get a \$15,000 man to give you free advice on practical subjects, I think you ought not to pass that chance. You want these people to help you get efficiency in your employment office and among the men. That is one of the first and most valuable of community contacts, and it can be made especially helpful, because employment managers are in touch with and advisers of all the active operating officials of the factories.

The second—and a large measure of community contact—lies in organization of advisory committees in communities. These furnish one of the very best possible ways of advertising the service and to giving an understanding of what it needs in a community, and of having the community realize that the service is a part of their community life, belongs to them, and should be fostered and helped by them. In some States communities have been called upon to furnish office quarters. That is a good thing and a fine means of community contacts. Wherever a community can be induced to put some of its dollars into this service it ought to be induced to do so. I am reminded of an old friend—a politician of considerable wisdom who was very wealthy—had plenty of money, but didn't spend too much of it. He would go to a little town and hunt up some man and say, "John, you know I haven't much money to spend. I want you to help me in this campaign; if it is only a quarter, I want you to put some money in it," and John would put up some money. It might be only 25 cents, maybe only 10 cents—he didn't care how much money John put in. What he wanted was John to invest in his campaign, because he thought John was not going to see that money go to waste; he wanted to make dividends on his investment. Get your communities in the same way to invest in the Employment Service by contributing clerks, quarters, or by putting in something that makes them investors in the service, and you will have tied them to you with bands of steel. That is one of the first and best things you can do in getting practical community contacts.

## STAFF MEETINGS BENEFICIAL.

Another thing is to duplicate on a small scale what is being done here to-day on a larger scale. I wish we could have these staff meetings—for that is what this meeting is—every 90 days. We should have them, not because you are learning so much from us here at Washington, but because we can absorb so much from you we need to know. A man stays here in Washington and he learns so much, as President Wilson says, that isn't so, and if you people come here and tell us what is going on we will get a vision. You know what the mathematicians do; they make a good guess, the best they can, and then another good guess, and then they correct the variations between the two best guesses until they come to the point where they can cross their hearts and say, "That is correct." We want the same thing, so we have to do the best guessing we can, and if we could get together down here every 90 days, you could check us up and we could talk together about the things that are needed for the good of our national efficiency. In the more limited scale of the district, you district superintendents should do the same thing with your State officials, and



the State officials likewise with the superintendents of their local offices, and still more frequently if they can.

There should be a staff meeting at least once a week, with at least some of them, if they can not get them all together, and they should talk over the policies and methods for two reasons. Enthusiasm is the hardest thing in the world to develop in a chilly atmosphere, and a lonesome man is chilly. Understanding is only gotten through association with the facts. Now, each of you have some facts that enter this business. If you associate you interlock these facts and build an organized—a completed—whole which can be understood, and you can get the knowledge and the enthusiasm and the steam power to take you over the grade. I hope that you will all take this up as one of the things to do in your district. Have staff meetings often as a means of bringing out good ideas for the benefit of the service.

Every man in the service who has an idea should be encouraged to bring that idea out. I know if you say to every man in your office, "If you have any ideas send them up," you will be pestered with a lot of ideas—some foolish, some half baked, and some predicated on a misunderstanding or misapprehension of the facts, but out of all that undigested mass you will once in a while get a real pure first-water jewel. It is worth the trouble of sifting to get those jewels out. Again, it is hard for a man to realize, unless he has been put in that position himself, how hard it is to keep initiative and energy alive in a body of workers.

Let every man in the service feel it is up to him to deliver any ideas he has, to work them out and make them practical and hand them in. No man in this service should be allowed to turn down an idea. When an idea comes in, if the chief does not think it practical, let him send it up with his disapproval and his reasons, but let him send it in. The very fact that this is going to be done will put life, ginger, and pep into the whole service. That is what we want. Real enthusiasm in this service means more than dollars. It means success.

This Employment Service of ours has a great future. That future will be colored exactly as we make it. It is our service as trustees of the whole American people. It is a new service, and it will be a new service born anew every day, because this service is going to be as changeable as a chameleon—it can not help it. We have to run it as a great business organization with the principle and theory that it must change as rapidly as circumstances necessitate its changing, clinging only to general principles, keeping the details themselves as flexible as the needs may require. If we are going to do that right it must be by putting all our energy, all our minds, and all our determination behind it, and the reward in public service well done will be worth all the labor it costs us.

Mr. Clayton was followed by Darragh De Lancy, of the office of Assistant Secretary of War Stettinius, who spoke on the provision of the selective service act. Mr. De Lancy said in part:

#### ADDRESS BY MR. DARRAGH DE LANCY, OF THE WAR DEPARTMENT.

MR. DENSMORE AND GENTLEMEN OF THE UNITED STATES EMPLOYMENT SERVICE: I have been asked to say just a few words in regard to the two agencies that have a very direct bearing on the work you are doing. In the first place, the selective service act, which was intended to keep labor, especially skilled labor, at its work—and if it had done so it might have had a very material effect in lessening your burdens—has not done so, however, and I want to tell you some of the reasons. Then I want to touch upon a development of the administration of the selective service act which has come about through realizing the large number of skilled workers who have been taken into the Army through the draft—taken into the Army we will say improperly. They are there for various causes which I shall touch upon, and very obviously should not be there, because you gentlemen know they are needed very much more at their work than in the trenches. I refer to the highly skilled class of labor, such as toolmakers and gaugemakers, and men of that stamp. We have set up an agency recently by which these men under certain circumstances may be returned to industry on an indefinite furlough. They go back on a civilian basis, subject to military control; and if for any reason they fail to

give a good account of themselves or refuse to accept employment they are recalled through the Army channels and are sent back into the Army or are placed elsewhere.

Just a word in regard to the selective service act. Without going into details you undoubtedly know the distinction that is made between the jurisdiction of the local and the district boards. The local boards have the passing upon all questions relating to registrants outside of those engaged in industry or agriculture, and from the decision of the local board there is an appeal to the district board. The district board, on the other hand, has the jurisdiction in regard to all agricultural or industrial questions, and it is to the district board that the skilled worker or the laborer of any kind makes his claim. It is, perhaps, unnecessary to go into the detail of the manner of making that claim. You are probably all more or less familiar with it. There are certain forms to be filled out and certain affidavits to be prepared, and so on. In the first place, however, the industry or concern in which the man is employed must establish its status as "necessary." By that is meant that it is making a substantial contribution to the maintenance of the military establishments, to the carrying out of military operations, or to the maintenance of national interests during the emergency. If the concern demonstrates that it comes within that class recognized as "necessary," then its claims are considered, but no claim of any employee is considered for a concern that has failed to establish its status as "necessary." Once its status is established, all claims are passed upon by the district board on their merits, and it must be shown that the man is essential to the continued operation of that concern. Now, where the facts are properly presented and the claims are properly made, backed up by the proper affidavits, a district board, doing its duty according to its oath of office, should grant deferred classification to skilled workers in "necessary" industries. The evident intent of the selective service law has been defeated in many cases, and for some of the following reasons:

#### REASONS FOR LOSS OF SKILLED WORKERS.

In the first place, many skilled workers have been actuated by an entirely proper but a misplaced zeal to serve their country in the Army and have given up their employment and have enlisted. Now, there is no power in the selective service act to interfere with a man's voluntary enlistment, if he so elects, and in that way a great many of the highest type of skilled workers have been lost to industry.

A second reason is due to an unfortunately widespread lack of information or indifference on the part of employers in submitting to the district boards the evidence that they are engaged in "necessary" industry. It would surprise you if you knew how many large, how many important, concerns made no effort whatever to establish their status. From the standpoint of the district board, it is entirely an error of patriotism. It would seem to the district boards that it was the duty of a concern that had any ground for regarding itself as necessary to attempt to establish its status, so that its skilled workers might be retained in industry, but there are many large concerns who have chosen deliberately to take no active steps in this matter. The result has been that large numbers of highly skilled workers from such concerns have been taken into the Army and lost to industry.

A third reason for the presence of skilled workers in the Army is some misunderstanding between the local and the district boards. It has happened to our knowledge, in a great many cases, that a skilled worker would attempt to shift his employment from one "necessary" industry to another "necessary" industry, and quite properly. It might be for his own benefit, or it might be that he felt he could be of more service in the second employment, and in the transfer period in the shift between the first concern and the second the local board would order him to go to camp. That is an unfortunate defect in the selective service law which has resulted in many men being taken and sent to camp when they would have been much more valuable in industry.

The fourth class of cases has been due to arbitrary decisions by the district boards, perhaps due to lack of appreciation of what constitutes a necessary industry or of what constitutes a skilled workman under the terms of the selective service act. I heard only yesterday of a group of chemists that had been taken by a district board in a neighboring State from a very important experimental plant that was being financed indirectly by the Government with a view to training the personnel for a larger chemical plant being erected.



The district board said, "What are chemists? We suppose they are some kind of grafters. We don't want them anyway. Let them go into the Army and fight."

Now, before passing on to the development of the second phase of this matter, I would be very glad to answer any questions in regard to the operation of the selective service act. If any of you gentlemen have had any cases come to your attention and I can be of any assistance I will be very glad indeed to answer any questions.

DISCUSSION.

Mr. KOCH, of Minnesota. I think what the gentlemen want to know is the practical working out of the selective service act. How can they use it? Can we get men out of camps that are now in there? I would like to ask a question: A man is placed in class A1, is an expert draftsman, having been employed by a firm who has contracts or subcontracts to do work for the Government. That man's call number is 500 and they are taking men from 450 to 525. Could that man be placed in the deferred class if he was class A1 and on call if he was required in the work of this firm?

Mr. DE LANCY. The instructions from the Provost Marshal General's office are very clear in giving district boards unlimited power to reopen cases and reclassify up to the moment of the man's receiving his red card. By the act of receiving the red card he then passes into the service of the United States and is beyond the jurisdiction of either the local or the district board. Up to that point the district board has unlimited power to reopen and reclassify, giving him deferred classification if the facts warrant it. Unfortunately the cases are not always properly presented, or there is just enough delay in getting the papers in so that in the meantime the local board has given him a red card and ordered him to camp.

Mr. KOCH. If a local board recommended this to the district board and the district board couldn't get the viewpoint of the local board, there would be no redress?

Mr. DE LANCY. Probably not, although the recommendation by the local board is somewhat perfunctory. The district board is the final arbiter in the matter of industrial cases. The recommendation of the local board was apparently intended to give the local board an interest in the matter and present its views to the district boards, but it really carries comparatively little weight. The district board is supposed to investigate the facts on its own initiative and determine the case.

Mr. KOCH. If you had placed a man in class A1 and if he was a copper-smith or a ship's carpenter, could he be placed in deferred classification working for a firm that had a contract in Emergency Fleet work?

Mr. DE LANCY: Yes, sir.

Mr. ROADY KENEHAN, of Colorado. Isn't it a fact that the red card has been done away with since the questionnaire came out? Yes, sir; the red card is not in use. It was used in the old draft. Now, you were referring to chemists, I sent chemists into the Army and I have no apologies to make for it. Why? Because when a man is inducted into the service he is examined at the camp for what he is fit for. Then if he is a chemist he is retained for that purpose. I have done it. If it is a crime I am guilty, and I stand up and will not deny it, because the Army needs chemists and the Government needs chemists and has asked for them.

Mr. DE LANCY. The gentleman is entirely right. The Army does need chemists, but, at the same time, it is the intention of the selective service act to retain chemists in the employment of necessary concerns.

Mr. ROADY KENEHAN. That is a point for the district board to determine, and Gen. Crowder has upheld the decisions of the district board.

Mr. DENSMORE. Let us permit Mr. De Lancy to proceed. We want to see where we can connect this part of the business with the War Department, and I think if we let him proceed he will tell us what he is doing and what they are doing there, and we will get through quicker.

Mr. DE LANCY. I might just mention I happen to be a chairman of a district board myself, and in respect to chemists we should certainly give them deferred classification for necessary industries, letting those from nonessential industries go into the Army, very properly subject to the Army's disposal.

Now, gentleman, going on to the next phase of the situation, it has become increasingly evident that there are a great many skilled workers in the Army when they would be much more valuable in industry. The matter was brought

to the attention of the Second Assistant Secretary of War, and it was possible to set up a machine, through a memorandum issued by the Chief of Staff to The Adjutant General, by which furloughs of indefinite length can be granted in certain circumstances to skilled enlisted men in the Army for the purpose of returning them to industry. It is a rather interesting development, and the fact it is being made use of in increasing force shows that it has really filled a long felt want. Let me quote from the memorandum:

#### FURLOUGHES FOR SKILLED MEN.

"Furloughs of indefinite duration will be granted to enlisted men for the purpose of engaging in industry essential to the prosecution of the war when the following conditions are fulfilled:

"(a) Each chief of bureau or department of the Government concerned will designate one officer who will take action on all applications from that bureau or department for furlough under this memorandum.

"(b) This officer must certify that each man is skilled in a class of labor in which a definite shortage exists, and that his retention in industry is essential to the prosecution of the war."

When these conditions have been fulfilled, such enlisted men will be granted a furlough of indefinite duration without pay or allowance under the act of Congress approved March 16, 1918.

On granting of the above furlough, the enlisted man will be directed to report to the employer who required his services.

The employer in each case will be advised of the man's instructions to report to him for the specific purpose intended, and will be requested to report at the end of each month to the chief of bureau or department having issued the above certificate the status of the soldier; and should the soldier at any time separate himself from such employment or not accept regular employment, the employer will immediately notify The Adjutant General of the Army of such separation, and, if practicable, the latest address of the man.

Employers who in the past have been required to report to the department commanders at the end of each month the status of the soldiers who have been placed in the Enlisted Reserve Corps in order to enable their employment in an essential industry will in future render this report to the proper official as provided in this memorandum for soldiers placed on definite furlough. Following is the approved form for making above applications for furloughs:

Memorandum for: The Adjutant General.

From \_\_\_\_\_

Subject: Transfer of enlisted men to industry.

1. In compliance with memorandum from The Adjutant General of the Army, dated May 13, 1918, the following is submitted:

2. \_\_\_\_\_ of \_\_\_\_\_  
(Name) (Residence)

is a \_\_\_\_\_ and is now an  
enlisted man in the Army, located at \_\_\_\_\_

3. It is hereby certified that the services of the above-mentioned man are essential to the prosecution of the war, and that his place can not be filled by a man or woman not in the Army without serious detriment to the industry in which he has been employed.

4. This department recommends that the above-mentioned man be granted an indefinite furlough without pay or allowances, and that he be directed to report to \_\_\_\_\_, who requires his services.

5. The designated employer should be furnished a copy of the above memorandum and instructed that in this case report will be made to the \_\_\_\_\_, Washington, D. C.

(Chief of bureau or department)

Attention { Captain. \_\_\_\_\_  
Major. \_\_\_\_\_  
Lieutenant Colonel. \_\_\_\_\_

Officer designated to issue certificates by \_\_\_\_\_  
(Chief of bureau or department)

He returns on a civilian basis and civilian pay, and he is assigned to a definite industry.

Now the classes of cases that are coming up are twofold. In the first place, we are getting a great many applications from concerns in essential industries who have lost men through the operation of the draft. Where the proper conditions are fulfilled, those men are returned to the concern from which they were taken. In addition to this, we are having the camps combed. That is, the names of the men in the incoming drafts are gone over by the personnel officers at the camp, and the men in the selected list of skilled trades, which we have drawn up, are reported back to us. The result is we get reports



that at, for instance, Fort Slocum we have 50 toolmakers, at Fort Thomas we have so many coppersmiths, etc., at the different cantonments and recruiting stations throughout the country. Our job is to offer those men whom we receive, by name and previous employer, to the different departments of the Government on whose contracts production might be stimulated by the return of those men to industry. It doesn't mean that those men would go back to concerns from which they came, but it does mean that they would go back to essential concerns who are short of that particular class of skilled labor. Already, even though this has only been in operation about five weeks, we have sent through literally hundreds of those cases, and they are shaping up almost by the thousands. Just one word in regard to the practical application. We have had application blanks prepared which give information as follows:

Application is hereby made for the return of the following enlisted men:

(Name) \_\_\_\_\_ (Residence) \_\_\_\_\_

(Exact description of trade) \_\_\_\_\_

Registered local board \_\_\_\_\_ Order No. \_\_\_\_\_ Serial No. \_\_\_\_\_

Previous employer \_\_\_\_\_ Last reported at Camp \_\_\_\_\_

Unit \_\_\_\_\_ taken into Army \_\_\_\_\_, 191\_\_\_\_, because \_\_\_\_\_

We ask that he be directed to report to \_\_\_\_\_

We have the following direct Government contracts:

Date \_\_\_\_\_ Order No. \_\_\_\_\_ Quantity \_\_\_\_\_ Description \_\_\_\_\_

Department of Government \_\_\_\_\_

We are under contract with the following, who have direct Government contracts from \_\_\_\_\_

Department: \_\_\_\_\_

We have established our status as "necessary" industry with District Board No. \_\_\_\_\_

of State of \_\_\_\_\_, located at \_\_\_\_\_

By \_\_\_\_\_ (Title).

Sworn to before me at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 191\_\_\_\_.

I have checked the foregoing statements and have found them to be correct.

Local representative of \_\_\_\_\_ Department.

When those come in, if they happen to apply to ordnance contracts they are referred to the Ordnance Department. Col. Guy E. Tripp, head of Ordnance Production Division, is the certifying officer for ordnance, the Aviation Board has a certain officer to certify to its certificates, and so on. Practically all the Government departments have certifying officers appointed, and any application affecting their contracts can be turned over immediately for investigation to the proper officer.

Now, in the report from the camp, we have only the man's own statement as to his qualifications. It is of the utmost importance that we do not let out any men who should not be let out. In other words, it is simply an extension of the point of view of the district board to see that skilled laborers should be returned to industry and those who can not qualify should be kept in the Army, so that we have to refer back to the previous employer as the best source of information to ask about the man's competence, and it is only after sufficient investigation to convince all concerned that the man is a suitable man to withdraw from the Army that the papers are allowed to go through.

I have a few of these application blanks here. It may be that in the administration of your offices you will hear of cases of vitally important men who have been taken in the draft or who have enlisted, and they are at your service for use if you wish them.

#### DISCUSSION.

Mr. CARR. I would like to ask a question. Many of the States are vitally interested in harvesting the crops. What provision has been made by the farm service branch to release men now in the cantonments for harvest work, if any?

Mr. DE LANCY. There is an arrangement made through the local boards for the granting of temporary furloughs for that purpose—for the return to agriculture. That is a matter that we are not dealing with.

Mr. CARR. I am talking of labor we will need to harvest the crops in the different States. What can be done to get those men out of camp? You say after receipt of the red card the door is closed. How can we get these men back?

Mr. DE LANCY. In the case of farm labor, then the red card does not close the incident. The furlough will be granted to an enlisted man for return through the local board for the purpose of agriculture.

Mr. BARNES, of New York. Suppose you have an employment manager, a man who has done employment-manager work—and you know we need employment managers—suppose he is now in the service, and I know of a shipyard that wants that man. What is the method of procedure I should follow? Would I give this news to the shipyard and request his release on an indefinite furlough?

Mr. DE LANCY. The matter would be handled through the certifying officer of the Shipping Board—Mr. Meyer Bloonfield would be the man to go to. We would prepare a certificate which would be sent through The Adjutant General's Office, if that class of labor were approved. This is restricted at the present time to highly skilled labor. Undoubtedly an employment manager should come under that head. A case like that has not come up yet and it might be necessary to get a special decision on that.

Mr. BARNES. That is why I asked. I have tried that, and it was only for skilled mechanics.

#### MEN FOR SHIPPING BOARD.

Mr. DE LANCY. It has been enlarged from that, and we are already getting out mariners for the Shipping Board. We had 176 mariners reported yesterday, all of whom will be taken by the training school in Boston. Additional classes of skilled labor are being added every day to this list that we are acting upon. The case of the employment manager has not come up and is not included in that list, but we would be very glad to make it a special case.

Mr. O'LEARY, of New York. I would like to ask to whom do you apply for these blanks, and who fills in the application?

Mr. DE LANCY. Usually the employer who has lost a man makes out the application blank. If he has ordnance contracts and is near an ordnance district office, it may be sent to the nearest ordnance district office. If he has aircraft contracts, it must be sent to the nearest aircraft officer. These blanks can be secured at these points. If there is any doubt in your minds you can send them to room 237, State, War, and Navy Building, and we will take care of it and send it to the proper department to act upon it.

Mr. WARNER. There is one other phase of the draft action which is taking skilled men into the service that ought to be saved, which I might mention for the benefit of those here, because they can give advice to necessary employers of labor. It is this: A man has been given deferred classification, being a skilled laborer employed in a necessary industry; he leaves that job and takes another job. The first employer reports to the district board that he has left his job. The man neglects to make any report of his changing his status to another necessary job. The district boards in some cases are simply changing the classification of that man back to class 1, and therefore it will be of great value to this organization as it comes in contact with employers in necessary industries to have those employers as they employ men of draft age to see that that report is made to the district board, so they can preserve that man in his deferred classification.

Mr. DE LANCY. You are quite right. It is a serious trouble at the present time. The process of making the new claim is difficult, and oftentimes they do not get the claim on industrial grounds through in time to prevent the local boards taking the man. It means he has to file a certain form giving certain answers, series 11 in his questionnaire, with two affidavits and his own affidavit—it is a rather complicated process—every time he changes his employment. If that is not done his claim is not considered, but he has the right to file that up to the moment of being ordered to go to camp. But you employment managers can do a great service in educating employers to take immediate steps to get the man's second claim or his new claim, in order to prevent his being taken to camp or being put in class 1 on leaving his previous place of employment.

#### FARM HANDS AND THE DRAFT.

Mr. OWENS, of Mississippi. I want to make an inquiry on another phase of that question, not so much the fellow who is already in the service; but it will be remembered that recently there came to us—and by the way, my State is an agricultural State and we need men to produce things to live on—the informa-



tion came to us that a young man, though in the draft age and in class 1A, if he were called and made proper showing that he is engaged in farming and the producing of crops, would be given deferred classification. On the strength of that, a number of our young men went out and planted their crops, and many of these young men, just as the crops had been planted and the working season was coming on, were notified to respond to their call number and have been carried away. I know small home owners who had, say, one or two sons and a hired man who have all been taken away. It has greatly disturbed the labor conditions in our State. Is there any remedy for that?

Mr. DENSMORE. I am afraid this discussion is getting away off from what we want to talk about, and while I would be very glad for you to get all that information, Mr. De Lancy is demonstrating one thing in the War Department and he has made that perfectly clear, and that is, "Skilled labor on furlough into industry when it is called for." Now, please, gentlemen, don't ask about anything else. We will get that information from some other source.

Mr. SCOTT LEAVITT, of Montana. Along the lines of skilled labor, what discretion has this skilled man with regard to staying with the employment to which he has been recalled? After this application has been sent in, what becomes of him if he does not stay with the job to which he has been recalled?

Mr. DE LANCY. If he fails to accept the employment, if he does not stay in that employment, or if he does not give a good account of himself, his furlough is terminated and he is called to active service. The men are still under military control, although they are on a civilian basis.

Mr. KNAPP. I want to inquire about railroad employees. Are they classified as unskilled labor?

Mr. DE LANCY. Under the selective-service law they have been regarded as essential to industry. They have not yet been included in the policy of the furlough, but the matter has been brought up and is under discussion at the present time.

QUESTION. About the skilled man who is employed in a railroad shop and not yet called in the draft, would it be proper for him to ask for exemption on the ground of being a railroad employee, or would he be justified in asking for a job in a shipyard or a munitions plant?

Mr. DE LANCY. The railroad would be regarded as a necessary industry, and he has entirely proper ground for making an industrial claim for deferred classification. The facts would have to determine whether the claim would be granted or not.

The work of the War Service Exchange was explained to the conferees by Maj. E. N. Sanctuary, of the War Department.

#### ADDRESS BY MAJ. E. N. SANCTUARY, WAR DEPARTMENT.

##### "The War Service Exchange."

Briefly, I represent the War Service Exchange, and we are making an effort to be of real service to the staff departments as well as to the applicants desiring service with the Government at this time.

In securing men for the Army we are principally concerned with the staff service as differing from the line service. The latter, as you may know, constitutes the Infantry, Cavalry, and the Artillery. We are not much concerned with the Department of Insular Affairs of the Department of the Judge Advocate General, and it is not expected that we would be very much interested in the commissioned personnel of the Surgeon General's Department, as these are specialists, who are secured by the experts already in service there.

The disposition of a requisition coming from any Staff Corps follows this process: Assuming that the Ordnance Department wants 5,000 men, that requisition is made out on a blank prepared for the purpose and is routed to the committee on education and special training. This committee consists of a representative from the Provost Marshal General's Office, one from the General Staff, and one from The Adjutant General's Department. The committee passes upon all requisitions and decides how the men shall be obtained, whether by special draft, by involuntary induction, by special induction, by transfer from camp, or whether they shall be taken from some of the special schools that are being maintained by the Government.

Usually in cases of special induction they are handled by the authority of the War Service Exchange, and we have specialized in an effort to place men according to their qualifications. In this connection the exchange has at times been of service to a great many of you, as I recognize your names if not your faces.

From time to time we have accumulated in our files the names of men applying for service, some of them willing to enlist and a large number in deferred classification who wish to be inducted into the service immediately. In this way, as an illustration, I will say that we have at this time approximately 600 men of railway experience who desire that character of service, and it is hoped that the Chief of Engineers will make such a requisition as will enable him to get authority to obtain these men, either by induction or enlistment.

#### FUNCTIONS OF EXCHANGE.

As regards the functions of the War Service Exchange, these are indicated by the order establishing the same, as follows:

"(a) To answer inquiries, written and verbal, of persons desiring to serve in the Army; (b) to keep informed of the needs of the various branches of the service as to personnel and to direct suitable persons as to where and how to apply; (c) to cooperate with the Department of Labor and other useful agencies in locating and supplying men needed for special purposes by various branches of the service."

There has been a lack of cooperation on the part of the several bureaus and the staffs of the departments and an effort is being made at the present time to have this coordinated. The demand for this was so urgent that the Secretary of War recently appointed a special investigator to make a report that would tend to discontinue this lack of cooperation, and it is probable that his report will result in the establishment of one central organization to handle these requisitions.

With reference to specially trained men, a large number of these are being obtained at the present time through the schools of the Federal Board for Vocational Education, and I am advised that the scope of this work will be enlarged to such an extent that they will be able to supply, at an early date, 3,000 technicians a month for the Army.

In addition to this, the committee on education and special training, whose functions are directed by educational experts, plan to deliver this year an even larger number of technically educated men for the Army. Mention is made of this so as to give you an idea as to how the need is being met.

If a man has been drafted and is at a depot brigade, unassigned, an effort is made to have him routed to such a department or unit as may be able to utilize the special training he has had, for it is much easier to obtain a man under these circumstances than after he has been assigned to a military unit. In fact, it is easier to get him back from France than it is to detach him from any organization that has orders to proceed overseas.

A suggestion has been made by the special officer above referred to that the scope of the work of this central committee shall be so extended and the work so coordinated that each Staff Corps may have a representative on this central organization and that they may there exchange personnel to meet each one's needs. When this is done, it will be seen that there will be made available for every Staff Corps all of the personnel that each may have in its files.

No doubt there are many of you here to-day who at times have written the War Service Exchange and have not received proper replies or attention. I think you are all willing to admit that it is a difficult task in these times to run any organization without complaint.

I am pleased to have this opportunity of addressing you briefly, and regret very much that I could not have been here to have heard these speakers on your program, for had this been my privilege it would then have been possible for me, from a military standpoint, to explain some matters with which you are vitally interested and which I presume you have already expected I would cover in this brief address.

May I say that our exchange is here to serve you, and that it is hoped that the functions of our organization may be enlarged to such an extent that we can intelligently take care of you and the men that you represent, so that a maximum degree of efficiency may be rendered by them.



## DISCUSSION.

The rest of the afternoon session was devoted to a general discussion, excerpts of which follow:

Mr. DENSMORE. Now, gentlemen, we are going to have that little discussion I promised you. I will try to recognize you as you rise.

Mr. JOHN C. SAYLOR, Wilmington, Del. Mr. Chairman, this has been a very interesting conference; there is no question about it; and I know that we will all agree that we have learned a lot, but there is one subject that has not been brought up which is worrying the Atlantic coast superintendent and State director, and that is "Women in Industry." I thought perhaps it might be placed on our program. I want to say that in district No. 2 and district No. 3 the organization of comprehensive women's divisions is necessary. It seems to be one feature of the work which has not been carried on very long, and I would like to know more about it, and I would like to hear from somebody who has studied the subject of women to give us a little idea of how we are going to proceed to put women in industry to take the places of the men who are going into essential plants—whose places must be filled by women and other laborers.

Mr. DENSMORE. The whole administration program—the seven bureaus we have referred to heretofore include a bureau of women in industry. That bureau is just now coming into existence; Congress has just reported an appropriation to finance it, and it will begin organization at once. In the meantime, the employment offices, under your supervision and under the supervision of the State directors, may proceed with the opening of women's divisions wherever necessary.

Mr. EDWARD T. McGRADY, of Massachusetts. I would like to know how soon may we expect that there will be a standardization of wages?

Mr. DENSMORE. I will ask Mr. Smyth to answer that question.

Mr. SMYTH. Somebody said that Mr. Densmore never passed the "buck." I had an intimation yesterday that it might come very promptly on common labor, maybe within a week or two. Skilled labor is a slower proposition, but I think it is coming as fast as it can possibly be put over.

Mr. DEXTER C. PATRICK, of Tennessee. I would just like to ask a question. Yesterday, when Mr. Hall was speaking, and on two or three occasions to-day, the matter of the relation of State directors in the United States Public Service Reserve to State directors of the United States Employment Service was touched on. I have been wondering just a little bit about the actual relationship that should exist which, perhaps, does not always exist. I would also like to get some specific information on just the relationship which the United States Public Service Director in each State should bear to the district superintendent in the United States Employment Service. Is the Public Service Reserve Director in the State required or expected to have any relationship to the district superintendent; and if so, in what way?

## RELATION OF PUBLIC SERVICE RESERVE.

Mr. DENSMORE. He is expected to have relationship to the United States Employment Service and a very close one; yes, sir.

Mr. PATRICK. One more point. Are they expected to be coordinate in their functions, or is the Public Service Reserve director, by the necessity of organization, a subordinate arm of the Employment Service within the State?

Mr. DENSMORE. The Public Service Reserve, as an institution, is a division of the United States Employment Service. In the staff organization necessarily it must be, of course, subordinate, for it is a division. It is, of course, subordinate, as are all State officers, no matter what they are, to the officers in Washington. There isn't any necessity, however, for functioning from the head of the division of the Public Service Reserve, known as the National Director of the Public Service Reserve, through the district superintendent to the State director. That function should go direct to the State director. We may find it, just a little bit later, necessary to save some dealings through the district superintendent, for the reason that we expect the appropriation for the United States Employment Service to take care of the necessities and requirements in the field of the Public Service Reserve. Consequently, it will be necessary for the district superintendent to reallocate some of the allotment for his district to the Public Service Reserve.

Mr. HALL. I just wanted to say that I don't know whether that answered your question. It didn't answer it quite fully to my mind, as you asked it, if you meant what I think you meant. Here is the point, and I think it is important that you fellows should know this: As you know, the Federal Director of the United States Public Service Reserve has in practically all instances been recommended by the State council of defense or by the governor of the State. He is, in a way, the direct representative of the State within the boundaries of the State. Now, as between the Federal State director of employment and the Federal State director of the Public Service Reserve, they should be co-ordinate. I don't believe Mr. Densmore intended to say that the director was subordinate in the entire organization and regulation within that State.

The Public Service Reserve has charge of recruiting all labor or helping the Employment Service in getting the labor ready to distribute. There is no need that there should be, and there won't be, any questions to come up as to who shall give orders, or anything of that sort, because the employment office receives the demands for labor—the Federal State director receives the demands for labor and distributes the labor. The Public Service Reserve is a recruiting agency that goes out and reaches down into the byways and hedges and gets out the men. If the men are of the right temperament, in a great emergency like this those fellows can work together, and I don't believe that question will come up. As a matter of fact, in a great many States the director of employment and the director of the reserve are the same, because he happened to be appointed by the Federal Government here and he also happened to be the same man who was recommended by the State council of defense before he was appointed. The others were appointed directly, as you know, by the Federal Government, without any recommendation of the State council of defense, but it is true that the Public Service Reserve is a division of the United States Employment Service, and I am very glad I take my orders from our big chief here, the Director General.

#### QUESTION OF PLACEMENT.

Mr. P. L. PRENTIS, of Illinois. The greatest trouble or embarrassment seems to have been that the Public Service Reserve, sometimes at least, has a habit of making placements—being considered as an employment office. I wondered if the Public Service Reserve is a placement office.

Mr. HALL. No; it is not, except in the rural districts where there isn't an employment office and where it would be a mistake not to do some little placing to adjust labor conditions in that place without going through some employment office.

Mr. PRENTIS. In those instances, how should the reporting be done? Should the reporting of these placements be made through the Federal Director of the Employment Service?

Mr. HALL. Yes; I think it should be.

Mr. PRENTIS. That would be of great value and assistance, it seems to me, if we have these representatives in each county. If it is to be a Public Service Reserve director or representative, we would like to know it. If it is to be a representative of the Agriculture Department, the county agent, we would like to know that. There is so much confusion as to who is to be the county unit or the township unit in this clearance-house arrangement. If that could be clarified, I think it would be a great relief.

Mr. DENSMORE. Don't despair of the confusion. You have seen confusion only in your own district. We have seen all of it up here.

Mr. HALL. When you get in the cities below 15,000 where there are no employment offices, the Public Service Reserve agent has a dual capacity. He is both the agent of the Employment Service and the agent of the Public Service Reserve. He has this dual capacity, and he should report to the Employment Service on placement. But the minute he changes his operation to a distributing agency, then, of course, he becomes answerable to the nearest employment office.

Mr. PRENTIS. It doesn't appear that we have those instructions in our district.

Mr. HALL. I want to say right here that up to this time there has been very little coordinating, and in a great many States we haven't been working together, hence this conference.

Mr. PRENTIS. I think your plan is all right.

Mr. HALL. We hope you will go back and coordinate.



Mr. PRENTIS. How shall we bring about this coordination? We have to give instructions to your county men.

Mr. HALL. You will have on file with you a list of all the county directors. There is no need of going below that, and you will have that record and they in turn will be instructed. I just want to say that there is a possibility that you men will go away a bit confused about certain points. We intend to give you, in writing and print, some very specific instructions.

#### NEW HAMPSHIRE SITUATION.

Mr. C. E. CARR, of New Hampshire. I ought perhaps to say that owing to the vast amount of labor that has been put upon you here in Washington, it has been impossible for you to do anything else than let us work out our problems in a good deal of confusion. It has only needed the proper spirit to work them out.

In New Hampshire, our Employment Service has just been organized. I immediately got in touch with the man in charge in New Hampshire, Mr. Sawyer, who is here to-day. He is at work getting his organization perfected. I have performed both functions ever since my induction into the office. I have gone to work and placed all the men I have been able to place—all the carpenters and all men of that kind. I have worked both offices without any authority whatever, and placed these men at work, the main thing being that this department wants us to get men at work building ships. Now, until he gets ready to take this thing over, I shall continue to perform that office unless I am stopped by some one, because I am driving at the simple question of building ships and getting the men to work.

Mr. HALL. Mr. Carr, that is all right. You are ready to turn it over, I understand, at any moment; but just report to Mr. Sawyer what you do.

Mr. CARR. I do.

Mr. JAMES T. LYNN, of Michigan. In this connection, I would suggest that the Public Service Reserve directors each furnish to the director of the Employment Service a list of his county chairman, and he in turn appoint them as county chairmen in small places where we have no employment offices, so that it will bring about coordination in that way.

Mr. HALL. The county chairman is an employment officer, anyway. The very fact that he is an officer of the Public Service Reserve, where we haven't an employment office, makes him an employment officer.

Mr. LYNN. We in Detroit, in the Public Service Reserve, have placed hundreds of men in positions. We have had a request from Washington for engineers and draftsmen for the Army and for the Signal Corps and everything of that kind, and we have tried to fill the bill as far as we could and as far as they were enrolled.

Mr. HALL. In Government Service the Public Service does place direct. We are the recruiting agency; we cooperate with the Army and Navy in direct placements. Of course we ask the help of the United States employment office. That is the function of the Public Service Reserve—to place directly in employment.

#### PREVENTING LABOR TURNOVER.

Mr. JOHN C. FRAZEE, of Pennsylvania. I have listened with a great deal of interest to-day to the program, especially that portion by Mr. Smyth. I take it that the purpose of the program which we are about to adopt is, among other things, to prevent the turnover of labor, which is now contributing to the inefficiency among war industries. I also take it that the function of the Public Service Reserve is that of labor scouts and of labor scouting for the United States Government on an organized basis. Now, when this plan has gone into effect, I assume that there will be no more advertising in the newspapers on the part of the war contractor. I assume that the only advertising that will appear would be on the part of the United States Employment Service. I also assume that as soon as this plan has been perfected and put into operation, there will be no labor scouts representing private employers or private employment agencies at work in any part of the country.

The disappearance of advertising and the disappearance of labor scouts would contribute very greatly to the diminution of the labor turnover, and if any turnover is to be caused by publicity or advertising thereafter, it will be caused by the activities of the United States Employment Service ads. And the matter which has given me the most concern in listening to the plan to-day has been whether a drive for common labor, such as contemplated, if

carried on with too great publicity, would not cause disturbance in a State like Pennsylvania, for instance, where the labor turnover is very severe and the labor shortage, especially of common labor, is almost overwhelming; whether the activities of the United States Public Service Reserve, in attempting to make this drive for labor by publicity methods would not result in a great disturbance of the common labor already engaged in the work of war industry.

It has seemed to me that I might offer this suggestion, merely for your thought, the thought of all the directors of the Public Service Reserve here, especially, and for such comment upon it as you may wish to make, now or at some later time. It seems to me that if there were funds in the Federal resources sufficient to allow for a private assignment of labor scouting on the part of the Public Service Reserve, without resorting to publicity methods, in the densely populated industrial regions of the East, we could go into firms selected as those which should contribute additionally to the war industries, and in a very quiet, unobtrusive manner—one that would have no publicity whatever—we could draw out from one plant to another the necessary common labor, without contributing in any manner by advertising to the labor turnover which is now in operation. Of course, it depends entirely upon the question as to whether the Federal Government would be in a position to finance the necessary labor scouts in those densely populated industrial districts.

Col. LEWIS T. BRYANT, of New Jersey. I want to indorse the remarks of the previous speaker. We are doing business across the river from Pennsylvania, and we are also doing business in one of the most congested industrial districts in the world. I suppose there are probably 10,000,000 or 12,000,000 people within a radius of 50 miles from the capital of our State, and we have there some seven shipyards, probably 50 per cent of all the manufacturers of high explosives and loading concerns in the country, and at least 50 per cent of the chemical plants. I think the most hopeful thing I have heard in this conference is the remark concerning the question of hiring the labor used through the Federal Labor Municipal Employment Service of the country. I have had a great many conferences with the leading manufacturers of our State, and I believe that, in the main, they are heartily in favor of a labor dictator for the State of New Jersey. The thing which upsets them worse than anything else is not a fear of losing a certain percentage of their skilled mechanics—or a certain percentage of their employees, but it is the constant turnover or pulling from one to the other.

#### NEWSPAPER ADVERTISEMENTS.

Our daily newspapers have column after column of the most glowing advertisements. The munition plants have a large number of men daily standing around the doors, as also have the shipyards. We sent one of our representatives to one of the shipbuilding plants. He found 700 people standing around their gates, looking for employment, and at that very minute there were other essential war industries, some as substantial as shipbuilding, clamoring for help. Yet there were 700 at that shipyard, and at the best estimate not more than 10 per cent were hired—70 hired and the balance turned loose. At another shipbuilding plant we found at least 500, and almost daily there were 500 men at that plant, coming from Philadelphia and the surrounding country. A great many men having positions will take a day off and try to get a job in the shipbuilding plants, and you are not going to stop it and you are not going to get anywhere, in our judgment, until you notify the shipbuilding plants and the manufacturers of war essentials that they must do their hiring and select their labor through the Federal office.

Mr. HENRY D. SAYER, of New York. The subject of labor turnover, which is of such great interest to all of us here, has one phase that has not been touched upon in this conference. One of the dozen or more jobs that I have been trying to hold down in New York is that of chairman of the New York Committee on Industrial Training. There is in the council of national defense a section of national training for war emergency. This committee has no power. It has, indeed, a very loose organization, but we have been endeavoring in New York—and as has been done in New Jersey, Connecticut, and some of the other States—to impress upon the manufacturers the good work that can be done in reducing the turnover and in providing the skilled help for certain machine operations by a course of intensive and emergent industrial training.



I have been interested to see in the public press announcements of the Labor Department's program that, among other things, includes the subject of industrial training; and if there is any information that you can give us on this subject, and if the department has any plan for taking over the matter of industrial training or developing it, I think it will be of great interest to the conference.

TRAINING AND DILUTION.

Mr. DENSMORE. I can tell you that in these seven bureaus that I have mentioned before is included a Bureau of Training and Dilution. That also has just been financed by Congress and will be in existence very shortly.

Mr. GEORGE N. TARRANT, of Alabama. May I add a word in reference to advertising that is to be promulgated by this service? Down in our district we are in a great iron and coal center, and the methods that have been employed by the employment agencies there have simply paralyzed the common laborers. They have taken them on joy excursions, from one place to another, without any good results. I was very reliably informed that at Sheffield, where the Muscle Shoals project is under way, eight carloads of common laborers came in and nine went out the same day. The negroes, when you advertise a free ride and something to eat, will ride and eat and do nothing at all. They won't work, but just keep riding, and don't do anyone any good. The turnover has been something fierce.

Mr. DENSMORE. Your job is to keep them off the trains, so they won't joy ride.

Mr. JOSEPH T. WARE, of Tennessee. I want to supplement the gentleman's question there with reference to the standardization of wages. What part, if any, is the State Federal director to take in bringing about the standardization of wages in his own territory?

Mr. DENSMORE. Not any.

JOHN R. O'LEARY, of New York. There was one thought came to me, and I thought perhaps this was a good occasion to mention it. I don't know much about the operation of the Public Service Reserve in the small community; I can speak, however, from actual contact with it in New York. When I took up the duties of superintendent of the second district, the Public Service Reserve was struggling along as best it could, but Mr. Raffetto was doing all the work. I found there was no coordination at all. If there was any, it was so small that it was hardly discernible, and I might say the necessity of closer cooperation was necessary because of the immense number registered, there being 28,000 registered in the office. The Public Service Reserve occupied one of the floors of the building which is occupied by the Employment Service on Twenty-second Street, and we immediately set to work putting it to some active use. Mr. Raffetto was given two assistants, because of the great value I knew the Public Service Reserve would be to the Employment Service; and I want to say right here I don't believe we made a mistake. I have been informed by him that he has made over 2,000 placements—2,000 placements, not only in the shipyards, but also in other industries, in the arsenals, where they made requisition for extra mechanics. At the present time we have one placement man who is devoted to the particular duty, who is cooperating with the Public Service Reserve in placement work in New York, in addition to those which we have ourselves.

Now, there have been many inductions made into the Army, hundreds of them. Requests come for clothiers, hat makers, and men of that type of trade who will be of use in the Army behind the firing line; there have been cooks, hundreds of them, inducted into the Army by the Public Service Reserve at our New York headquarters.

CLOSER COOPERATION WITH RESERVE.

Now, the suggestion I had in mind was that while we may not be able to give perfect cooperation in the working out of the employment proposition with the Public Service Reserve in the smaller communities, it is possible to have real cooperation of a fair size in the larger communities. You take them right in under your wing, bring them into headquarters of the Employment Service in that community and work in cooperation with them, and you will get some service. I speak of something I know, because of our experience in New York.

Mr. EDWIN SELF, of Mississippi. Mr. Densmore and gentlemen, I think this conference is a very good thing, and I want to say that the thought expressed in Mr. Smyth's closing remarks came close to hitting the keynote—that is, the lack of American patriotism in this country. Down in Jackson, Miss., on last Monday night, they held a mass meeting, which I addressed, asking them to bring such pressure to bear as would make the slacker in labor go to work. As a result of that meeting, the town was resolved into a committee of 100 men—men with a patriotic vision, if you please. Resolutions were passed there that no young man, healthy and strong, should be an idler and thereby a slacker; but he should be made to go to work, no matter what method was necessary to bring that about. I submitted to them and I submit to you, gentlemen, that it is not fair that the fair women of France should be putting their necks into the collars and pulling plows like mules while big, strong men all over this country are going around doing nothing.

I, gentlemen, said something about having people put in jail. I am not going to have anybody put in jail, but Mississippi, under my direction, if you please, is going to put men to work or in jail, and I want to say to you gentlemen that unless we get a broader patriotic vision, unless we forget everything except the necessity of winning this war, we are not going to accomplish a thing that this great Government, under the wise leadership of Woodrow Wilson, is trying to accomplish.

Men of America, do you realize that the lustful hand of the hellish Hun is almost upon the lily-white throats of the pure, true womanhood of America? I say it is unfair to them, it is unfair to those boys who have given up their all to go "over there" to fight in the trenches to have great, big, husky men here in the city of Washington driving their automobiles and have men everywhere in the country lying in idleness.

#### MUST REALIZE RESPONSIBILITIES.

When you have solved the proposition of putting the idle labor of the country to work, then you will have solved the labor problem, and not until then will you have solved the proposition which the Employment Service has in contemplation. How are we going to feed all the men "over there"? All we have heard here to-day will avail nothing, and unless we put the idle labor in the country back into something productive in the country, we are going to have a bread line in America. I submit to you that there is not a woman in America good enough to-day not to go out to service, and there is not a man in a store, in an office, or any other place whose place could not be filled by a woman. My friends, our patriotic vision has been blurred and obscured, and when we American people realize our responsibility and our duty, then will the Employment Service be an active force necessary to the accomplishment of the purpose for which it has been organized.

Mr. M. J. KERR, of Idaho. I feel sure that each of us has a disposition to ascertain what our duties will be, and from a remark of Mr. Hall's relative to the Reserve Service I at first anticipated that the employment end of it should be taken care of by the employment department; then a little later came a qualification that the Government employment end of it might be done under the Reserve Service.

Of course, all we want to know is how we shall connect up in that matter, so that we have an understanding. Last week we had an application through the civil service—through the postmaster—and I can see where there will be some confusion, and there is a question as to just whether the labor end of it shall have full supervision of the distribution of the labor in connection with all those who are associated with them and those several units throughout the State for the accomplishment of that work.

Mr. DENSMORE. I suspect it is just the thing to do to tell these things over. And let me urge you again not to despair of confusion. You haven't seen any confusion at all. Just let me call your attention to the fact that Maj. Sanctuary, who is a responsible military officer of the War Department, told you that within the bureaus of the War Department itself there was lack of coordination and consequent confusion. Don't you think we are getting along pretty well?

Mr. PRENTIS. Last evening you were kind enough to offer some suggestions to a small group over at the hotel concerning what we might do for the man who was turned out of a responsible position and who was qualified to do expert work, but who required, nevertheless, a salary somewhere near that



which he has been in the habit of receiving. I didn't quite catch your point. We have many such instances of that sort in Chicago. I would like some advice.

## REPLACEMENT OF WORKERS.

Mr. DENSMORE. I think I just gave some haphazard suggestions that occurred to me, suggested, I think, by Mr. Buskirk, who stated that he has run across many cases something like this, where clerks in department stores, people who have no technical training at all, are thrown out of a position by the closing or modification of nonessential industries. That is going to go on on a very large scale very soon and is going to be deliberately done by the Government to produce a surplus of labor, of available labor. The Government realizes that it can not produce by any such scheme as that all the mechanical labor it wants. I thoroughly understand that by the modification of customs in department stores and other stores, like in the city of Indianapolis, for instance, by inaugurating the plan of one delivery a day instead of two or three, and some other modifications of that sort, you would be amazed the number of men thereby released in a trial in the city of Indianapolis by the War Industries Board. By the voluntary action of the employers in that city alone, and by the reduction of deliveries, they released 130 automobiles and 800 able-bodied men.

Your inquiry is this: What are you going to do with men in department stores? Your biggest job is supplying skilled or unskilled labor to the war industries. You have an application for employment from one of these men who is out of a job. You can't fit him into a shipyard or a war industry. You can find out some place else in your State organization or you have the entire Employment Service of the United States to find a job for him. The man who is thus thrown out of his job in a nonessential industry by the force of circumstances—that circumstance being that we are at war—has got to make a sacrifice. That is his contribution to the war and he must make it the same as everyone else makes it. He can't expect to go into just exactly the same sort of a job or, in fact, any job to his own liking or at a salary to his own liking. If you can't fit him into a job in your own office, try some other office. You might find an essential occupation where he would fit, but the Government is going to train those fellows. If he is an able-bodied man above draft age, he should be trained in some special school. We are not quite down to that point yet, but we are going to get to the point where it is a question of either putting women into the industries to run the machines, or taking the thoroughly able-bodied men above draft age who are able to do the work and through the agency, principally, of the Training and Dilution Bureau of the Department of Labor, giving them intensive, short-term training of some sort, and putting them into some industry. That is the only solution I can see. He can not remain idle if he is able-bodied; he must find some place. It is your job to find him and it is the Government's job to train him in some other special line.

Mr. FRED C. CROXTON, of Ohio. Mr. Chairman and gentlemen, I have heard today, with a great deal of interest, the many things that have been put before us, and I am sorry that I could not be here yesterday, but conditions were such that I could not leave until last night.

## OHIO'S SYSTEM.

I hope we understand, however, that we come to Washington for inspiration, and after having gained the inspiration in Washington, there is a little danger when we get back home that we may break down, so, for about three minutes I wonder if we may speak of self-examination.

We have, I am sure you will agree with me, the biggest task, and I make no exception save one, and that is the task of breaking the line which we are putting our boys up against. Aside from that, we have the biggest task before the country now—the question and the problem of recruiting, through some central agency, our unskilled labor first and later our skilled labor. I don't know how much you have been up against this problem. It just happens that in the State I come from it developed a labor-recruiting plan within three weeks after war was declared.

Our State is divided into 22 employment divisions, and we have tried this very thing of central recruiting. The wage in Ohio varies from low in the

southern part, gradually increasing when you get into the northern part. The wages offered by the Government were very much higher in Chillicothe, where Government construction work was going on, than in any other part of Ohio. They wanted in the neighborhood of 15,000 men. There was one of two things to be done. They would naturally be drawn from the place where the lowest wages are found, Columbus being the closest large city, and that would have ruined the war industries of Columbus. So we undertook to do something that we didn't know whether we could put across or not. We put to them the question of our recruiting every bit of labor, and we have the word of the officer in charge that fully 97 per cent, including the highest skilled and the highest-paid men, were recruited through our office, the highest-paid job being about \$100 per week.

As those orders came into our central clearance house at Columbus they were distributed through the State, and men were drawn in without disturbing essential war industries; and then again, they were kept out when material couldn't be secured. That is one of the problems of war work—to keep the men out when they have no need of them. We have been following that sort of plan in our war work in Ohio.

We are trying our best to work through and with the United States Employment Service here, and when those of you in other States want any war workers in Ohio, don't jump over the State line and try to get them from us; we warn you we will not serve you unless the order comes from the Director General.

#### SUPPLYING SHIPBUILDERS.

I hope we have been of some service. We sent 2,425 men to the Hog Island Shipyard within one week, and these men were drawn out of our State, busy as she is, without disturbing the war industries and they were drawn by just the same sort of plan that Mr. Densmore is trying to put before you now.

The date he suggests is July 15, and I pledge you my word that there isn't a man here who knows what he is up against but will ask for more time when July 15 rolls around. We must go home; we must see what is needed; we must organize ourselves, every individual office we establish for effective work, and upon you depends the success or failure of the United States Employment Service. I am sure the public service can depend upon us to serve it.

Mr. GEORGE W. MCCREE of Minnesota. The point is this: We haven't got down to the extent of our man power that they have in France and in Great Britain, and, incidentally, I may say here, and I think it is constructive criticism, that in a party of men like this there are always a great number of men of Irish and Scotch descent, and they don't like to hear it spoken of as the English Army. The point is this: Can either of you gentlemen give us any idea what they are doing in Great Britain with women in factories? I think we will have to come to that; and, if you can, give us some idea about how successfully it works and if the constitutions of the American women are as adaptable to the work as they are in France and in Great Britain.

Mr. CLAYTON. I think I can answer it best by saying this: The women of England and Scotland, and possibly I might include most of Ireland—not all unfortunately—are just as fired with determination as the human heart possibly can be fired and live under the strain of the enthusiasm. An Englishman said to me the other day: "If one of our men were to be suspected of being a slacker, his life would be in danger from the women of his own family," and he meant just exactly what he said. Under the impetus of that sort of enthusiasm, over 800,000 women in England are engaged in different kinds of war work, in addition to the women already engaged in various service occupations. Britain is a small country, not much larger than the State of New York, with only 40,000,000 of people altogether, and 800,000 for them is a very large number indeed. What they have done in the way of efficiency makes a marvelous story. One little incident may illustrate that.

#### BRITAIN'S USE OF WOMEN.

You have all heard of Gretna Green. Gretna Green is a little spot close to the border line between England and Scotland to which young couples for many years were wont to fly from parental interference when they had matrimonial intentions. An old blacksmith at that point made a few shillings from hasty marriages, somewhat irregular, but legal under the law. Several of the



very widely known families of England contracted alliances that transferred great amounts of property and made a great stir.

Now, Gretna Green to-day is the site of a factory for the manufacture of munitions. It has covered the historic spot with buildings in an area of 9 miles long by 4 miles wide, and that whole, vast, teeming hive of industry, a factory so large that we have nothing in this country to compare with it in area, is run, from the firemen to the management, by women exclusively.

Mr. JAMES T. LYNN, of Michigan. With regard to women in munition factories, we have placed in Detroit, I think, about 2,000 in factories, and the question in Detroit now is in regard to the department stores—where they are going to get their help to wait on the customers. We are registering women—we have a department for that purpose—and I think we register from 150 to 200 a day, who are anxious to get into the munitions game. Mr. Johnson, of the Armstrong company, told me he had had less trouble with the women; they were more accurate with their work, and he had had less loss from bad work than he had had with the men. I am very glad to say that the women are drawing the same wages that the men are. Some of them are making as high as \$11 a day at piecework in the American Iron Foundry, and they are making \$9 a week in some of the department stores.

Mr. LEO A. KORPER, of Connecticut. Mr. Chairman and gentlemen, I assure you this is a surprise, and, much as I regard the word of the Director General, I will have to dispute one thing—about my making up a manuscript, as I haven't made a single note. I didn't expect this opportunity and am not much of a speaker. However, women in industry interests me, because in Connecticut we have a great many of them in our factories. We have one munition factory which employs over 8,000 women, in New Haven. We are approaching that number in Waterbury. We are taking voluntary registration of women in two cities, and a house-to-house canvass in Bridgeport.

Col. BRYANT. I want to make one statement regarding vocational training. The Council of National Defense has a committee on vocational training which perfected a splendid plan for the training of men in the nonessential trades for the more essential trades, and also the training of women. This committee has taken up work in New Jersey, has given us valuable assistance, and we have worked out a scheme which we think is going to help the situation very materially, and I simply make the suggestion that if you want to, I am sure they will be very glad to get in correspondence with any of you and give you the literature and the same assistance they have given us—the committee on vocational training, Council of National Defense.

## CONFERENCE DINNER.

The conference dinner was held at the Hotel Powhatan. Mr. Hall was toastmaster and the guests of honor included Secretary of Labor Wilson and Assistant Secretary of Labor Post.

After dinner, the third conference session of the day was held. Mr. Hall, in opening the session, told of the organization and accomplishments of the Boys' Working Reserve.

## ADDRESS BY WILLIAM E. HALL, NATIONAL DIRECTOR OF BOYS' WORKING RESERVE.

### "The Boys' Working Reserve."

All through this conference we have not said much about the Boys' Working Reserve. The Boys' Working Reserve is that part of the Public Service Reserve that deals with young men between the ages of 16 and 21. This year we have mobilized these boys for agricultural work. We have discovered that the proper plan for putting such boys on the farm is to first give them an intensive system of training. In Pennsylvania, under the direction of Dr. Frazee, we have established a training camp at the State College. They take selected boys from the city, furnish them with uniforms and put them in the training camp of the State College. The State Committee of Public Safety and a local committee contributed for the expense of maintaining the camp and paying

transportation charges, and the National Guard gave them the uniforms; then they were all trained under the auspices of the Department of Labor. They are given badges when they have completed their training.

These boys come there ordinary high-school boys, rather pale, not particularly athletic, and in two weeks' time a complete transformation takes place. They get military training and they are told that they are working in a great army. They start in at daylight, engage in setting-up exercises; take care of horses and do all the work incident to farming activities. The secret of their success is patriotism, adaptability, willingness, and the right kind of instruction. I have seen these boys come out of that camp hardened physically, and brown, and they have no difficulty in getting on the farms because the farmers want them. We turn out from there 350 boys every two weeks. We have already on the farms between 3,000 and 4,000 of these boys. In all probability before this war is over these boys will have to go in the trenches, and I say to you they will be better soldiers and better fighters for having served in this agricultural army.

At this time I wish to read a letter that I have received from Mr. Frazee. It is as follows:

FINANCE BUILDING,  
Philadelphia, June 7, 1918.

MR. WILLIAM E. HALL,  
National Director, United States Boys' Working Reserve,  
Department of Labor, Washington, D. C.

MY DEAR MR. HALL: I think you will be interested to know that the Hon. Frank B. McClain, lieutenant governor of the Commonwealth of Pennsylvania and State chairman of the committee on agricultural labor service of the committee of public safety, under which the Boys' Working Reserve is operating, made the statement yesterday that the farmers of Lancaster County, his home county, are astonished at the service rendered by the city boys enrolled in the United States Boys' Working Reserve for farm work. The lieutenant governor says that on the average the work of the boys is far superior to that rendered by the type of "hired man" now available, and that the farmers of his district are being rapidly converted to the fact that high-school and college boys, imbued with a patriotic spirit and the training provided to them at the State College training camp, constitute the best form of emergency farm labor yet developed in this State.

The last few weeks have demonstrated the feasibility of using city boys for farm work, of which there are now on farms approximately 3,000 in Pennsylvania, who would not be there if it were not for the efforts of the United States Boys' Working Reserve. The demonstration of efficiency which they have given has already caused the War Board to appropriate an additional \$75,000 for the support of this activity, which makes a total cash appropriation of \$125,000, or one-sixteenth of the total allowance by the State legislature provided for meeting emergencies arising because of the war. The State, through the adjutant general, has also furnished the Boys' Working Reserve of Pennsylvania with 40 camp outfits for 24 boys each and with militia uniforms for 5,000 boys.

The farmers of Pennsylvania are rapidly beginning to realize the benefits they may obtain from employing the services of the United States Boys' Working Reserve, and I have no doubt that it will be possible to put on farms this year at least double the number of boys now employed.

Yours, very truly,

(Signed) JOHN C. FRAZEE,  
Federal Director for Pennsylvania, United States Boys' Working Reserve.

When these boys are taken out of the training camps they are put in liberty camps, and then they are taken to the farmer or he sends in and gets them and sends them back when the work is completed. They have a trained leader who plans their recreation. They have the same attention of the Y. M. C. A. that the Army has.

In Maine they are turning out 400 to 500 boys every two weeks. In Michigan and in Connecticut they are being trained, and in Maryland they are starting to train them. I contend that this is getting to be a very great factor in relieving the farm labor shortage; and also we are going to have a very potent effect on stopping the drain from the farm to the city by teaching the city boy to work the soil and to love the work.

This year the Boys' Working Reserve has trained in agriculture at least 30,000 boys. This year we will put 250,000 to 500,000 boys on the farm and next year we will have a trained army of agriculturists that will increase materially the production of food in this country.

In Chicago they trained about 10,000 boys in the high schools by taking them into livery stables and teaching them how to handle horses, and by taking them into implement houses and having them learn about farm machinery.



## MOVIES OF BOYS' CAMPS.

Moving pictures of the farm training camp for members of the Boys' Working Reserve of Pennsylvania, at State College, Pa., were shown and explained by E. G. Jenkins, assistant to the national director of the Boys' Working Reserve.

Cliff Williams, district superintendent, Meridian, Miss., was introduced and spoke of the circumstances connected with his becoming associated with the Employment Service and told of some of his experiences in dealing with industries that were enticing men from the farm. He impressed upon his hearers the fact that the time had come when every one must make sacrifices and that those sacrifices should be made in a spirit of joy rather than of complaint.

He stated that a farmer called him on the telephone and said that he had 500 acres of foodstuffs planted in response to the Government's admonition that it was necessary to raise food and that a factory making cheap furniture had taken five of his men. Mr. Williams then explained how he telephoned to the furniture manufacturer to the effect that if he did not return the five men to the farmer he would have a couple of empty railway coaches sent to the factory and move all his employees to Muscle Shoals. As a result of this the five men were promptly returned.

The skilled-labor recruiting program was explained by I. W. Litchfield, chief of the clearance section of the United States Employment Service and associate national director of the Public Service Reserve. Mr. Hall, in introducing Mr. Litchfield, said:

You have heard a great deal about unskilled labor here to-day. I do not want you to think we are not doing great things on skilled labor, because we are. Mr. I. W. Litchfield, who is one of the originators of the Public Service Reserve, is now chief of the clearance section in charge of recruiting skilled labor. He is the man who invented the classified index system that has worked so well for the Public Service Reserve.

ADDRESS BY I. W. LITCHFIELD, CHIEF OF CLEARANCE SECTION  
OF U. S. EMPLOYMENT SERVICE.

**"Recruiting Skilled Labor."**

Mr. Litchfield said that he had been asked to talk on the clearance of skilled labor, but, as Mr. Smyth had stated, there was no surplus of skilled labor, and without a surplus there could be no clearance. He spoke of the fine enthusiasm that had been shown by the delegates to the War Labor Conference and urged each one of his hearers to impart some of this enthusiasm to the coworkers in the States through personal talks, conferences, and conventions. The result of these three days of deliberation would have to be capitalized in the best possible way, he said.

In calling attention to the need of a stronger organization throughout the counties and communities, Mr. Litchfield referred to a survey of common labor that had been requested some time ago and which had only been partly successful. It will be necessary, he said, to replace every man in the Employment Service who is not really efficient by some one who is, and this reorganization will have to be done in the shortest possible time.

"We are pledged to a most important work," he said, "and when we need information or men we shall make no apologies, no matter how much necessary effort may be required; any more than Gen. Pershing would apologize to his men when he asks them to go over the top. The work of recruiting and placing skilled labor in this country is up to us and we are obliged to do a thorough job."

Mr. Litchfield said that when requests for men of various qualifications had been made in the past the employer had been given the cards of the men reg-

istered under those qualifications, and experience has shown that a very large number of these registrants were not available. "This is not sufficient," he adds. "The Government needs men who can build ships and who are available. The Employment Service must send hand-picked, fully qualified men."

Mr. Litchfield referred to the tremendous needs for machinists, boiler makers, and a few other skilled trades. The demand for skilled labor in three of the States indicate an enormous shortage in these trades, he said, and this is only another argument to build up the State machinery so that it will be possible, if necessary, to make a house-to-house canvass for rare men.

The speaker praised the loyalty and practical support of organized labor. He explained that the brunt of the burden will have to be carried by the International Association of Machinists and the International Brotherhood of Boiler Makers. Both of these organizations, through their international officers, have come to the rescue and have placed their entire forces at the command of the department, Mr. Litchfield said. Through speeches and circulars the men of these trades are being shown how much depends upon their loyal service, and every patriotic member is urged to state whether or not he is employed on essential war work, so that the available men can be listed and placed as needed.

#### QUOTAS NECESSARY.

Mr. Litchfield mentioned a few of the larger manufacturers of war material who are in need of great numbers of skilled men, and showed how these wants would have to be taken care of nationally by assessing quotas on the various States. This assessment will have to be made with due regard to the amount of war orders that are in the States and the men that can be taken from less essential industries. In certain of the States, such as Pennsylvania, it is undesirable to make any large assessment in the more depleted trades because in that State there are a large number of smaller contractors, many of whom are on a straight contract basis and who can not afford to pay the higher prices paid by the cost-plus contractors. These smaller manufacturers must be taken care of locally, and the larger ones must draw their help from those States which are not largely engaged in war work, no matter how great the distance.

The Clearance Section's chief referred to the fact that heretofore our offices have not had much to do with the skilled trades and that this side of the service must be built up if the employment work is to be effective.

"We are all of us engaged in a new enterprise," he said, "something that never has existed before. It is your duty to 'sell' this service to the employers of labor, tell them of our plans and our resources, get their confidence, and then retain it by attention and accomplishment. It is not sufficient to sit in your office and merely place applicants for work. Our job is to give Uncle Sam the men he needs to keep the wheels revolving and to produce the material needed over there. You are the salesmen of a great national business organization, and the responsibility upon you at this time is tremendous."

Mr. Litchfield paid a high tribute to the Department of Labor, its ideals, and its plans for the future, and prophesied that with perfected State organization and with increased esprit de corps in the employment offices the great problem of furnishing labor for war work would be handled with the greatest possible effectiveness.

The farm-labor supplying activities of the Employment Service were outlined by M. A. Coykendall, Chief of the Farm Service Division of the United States Employment Service, who was the next speaker. Introducing him, Mr. Hall said:

We have been talking in this conference so far about skilled and unskilled labor. There is another kind of labor that is a combination of both. I think that the most critical place we have to deal with is the farm. For years the trend of labor has been away from the farm. Higher wages, shorter hours, the excitement of the city have drawn thousands and thousands away from the farm. When we consider that last year, in spite of the great crisis in which we were placed, there were over 400,000,000 acres of land fenced in and uncultivated, we realize how many men left the farm. That is one of the most difficult problems we have to face. We have in charge of that department, the mobilization of farm labor, Mr. Coykendall. He has vision and executive ability, and he is going to put it across, unless I miss my guess.



ADDRESS BY M. A. COYKENDALL, CHIEF OF FARM SERVICE  
DIVISION OF THE U. S. EMPLOYMENT SERVICE.

## "The Farm-Labor Problem."

MR. SECRETARY, MR. TOASTMASTER, GENTLEMEN: You gentlemen are in the position of the small boy with the slice of bread and jam. He eats the jam first, then he has to eat the dry bread. You have been told by Mr. Smyth and Mr. Litchfield about the trifling little problems of furnishing skilled and unskilled laborers to the factories. It is up to me to tell you about your real job—that of furnishing help to the farmers. Mr. Smyth thinks he has a hard task on his hands when he has to furnish laborers that are falling all over each other to take employment at \$3.50, \$4, and \$4.50 a day with employers that are bidding against each other for their services. Mr. Litchfield thinks he has a difficult problem on his hands in furnishing skilled laborers to manufacturers who are paying wages that are only limited by the blue heavens. I am going to ask you to furnish labor that don't want to go to the farms to farmers who don't want to accept that labor; and, believe me, gentlemen, those are the real facts, and you have a full-sized job on your hands if you put it over.

You all know the general situation in reference to experienced farm labor. You know that for the past four years manufacturers and other organizations engaged in war industries have been paying exorbitant prices for labor and have drawn it from all parts of the country; and because in the past farm labor has been among the poorest paid of any, the farm laborers were among the first to respond and get into the war industries. Then we got into the war ourselves, and the very first jump out of the box the Army and Navy recruiting officers started to pick up our husky young farm lads. They were particularly keen to get the boys from the farms. I remember out in Omaha, where I was stationed at the time, one of the Army officers went out in the country one day in an automobile and saw a husky young farmer working in the field. He stopped and talked to him, and persuaded him to leave his job right then and there, and enlisted him. The papers next day came out with a big headline, "A modern Israel Putnam." But I say to you that that recruiting officer committed a moral crime, for that man on the farm was of more help to the Government than a hundred put into the trenches would be. The man in the trench must be fed. The man in the trench must have six to eight men behind him to keep him fed, clothed, and armed, and they must be fed; and the food problem to-day is the most important one before the country. Now, what is the situation?

## SHORTAGE OF EXPERIENCED FARM LABOR.

Our farms are stripped of experienced labor, and the farmer, if he plants to the maximum, as everyone is urging him to do, must make out with inexperienced labor and high-school boys to plant his crops, cultivate them, and harvest them. It is the only labor there is left, and it is up to you gentlemen to get the inexperienced labor willing to go to the farm, give it such preliminary training as is possible, and then the still harder task is before you of persuading the farmer to accept it; and one of the most difficult things there is is to persuade a farmer to do something that he doesn't want to do. I was born and raised on a farm, and I know. The honorable Secretary is a farmer himself; and, incidentally, just to prove what I have said, the Secretary is one of the hardest men to convince of all the farmers that I ever knew.

Every since I have been here I have been trying to convince him that a certain plan of mine was good, and it was only the other day that he admitted it. That plan, by the way, is up to you gentlemen to have put in force in every State—the antiloafing law. Some of the States have such laws now; other States are preparing to enact such laws when their legislatures convene this coming January. You gentlemen should return to your States and get in touch with the governor and other representative citizens, point out to them the real situation, and emphasize the fact that we have now reached a time when every able-bodied man and boy in this country should be engaged in some useful occupation. Not a man or boy in this country should be permitted to eat one bite of food that he does not earn by hard work in some useful occupation. This is no time for idlers.

You have heard Mr. Hall's name mentioned once or twice since you have been here. He is pulling off a stunt up there in Pennsylvania that he is kind of "nutty" about. He talked about it to me whenever he could back me up in a corner where I could not escape. One day he caught me and took me up in Pennsylvania to look over that boys' camp of his. He let me sleep an hour or two during the night; that was about all. But I want to say to you gentlemen that before I got away from that camp I decided that the solution of our farm-labor problem is to have a similar camp in every State in the Union. That is another thing I want you gentlemen to do. When you go back to your home State I hope you will bend every effort toward organizing similar camps and toward seeing that the high-school boys receive all the intensive training that it is possible for them to be given between now and the time when work opens next spring.

#### HARDER PROBLEM NEXT YEAR.

The farmers have had a hard problem with their crops this year. They are going to have a still harder problem next year. Because my friends Smyth and Litchfield are going to continue their practice of persuading all able-bodied men, both skilled and unskilled, to go into the war industries, it is up to us to rob the cradles, and they are also looking with rather longing eyes on the mothers of the occupants of those cradles, and want to use them in the war industries.

That leads to another labor asset, and that is the woman power in this country. It must be utilized here as well as abroad. Personally I do not believe that we have yet reached the time when we should call upon our women to engage in the heavy work of general farming. I think it is beyond their physical strength. They are admirably adapted, however, to the lighter pursuits of the fruit orchards and the truck gardens and the dairies and similar forms of work that do not require the exercise of physical strength. There may come a time when they will actually have to go out in the field; but I hope not, for their own physical good. But you gentlemen should see to it that every able-bodied man and boy who is now engaged in an occupation in a city or town that can be carried on by a woman is taken from that position and his place filled by a woman. Put him to doing a man's work. A whole lot of them are not yet competent to fill a man's shoes, but they can learn, and it will be good for their immortal souls to learn.

You have an unpleasant task ahead of you, but I hope you will do it. You can not do all of this work alone, because there are only about one or two of you to a State, and so it will be necessary for you to call for assistance. There are many different organizations that you may call upon that will give you real aid. One of the principal ones, in my opinion, is the chamber of commerce, or board of trade, or kindred organization, of which you will find at least one in every city, town, and, probably, village. It is up to each community to solve as far as possible its local problems locally, and in doing that these chambers of commerce and other organizations can be of great assistance. They are composed of the live business men of each community, men whose financial interest and well-being depend very much upon the success of the farmers in the surrounding territory. This applies more particularly to towns of 10,000 or less. You should call to your assistance these organizations and arrange with them to carry on this work in their local communities.

Another very valuable aid will be the newspaper, because the United States Employment Service can not succeed—can not exist—without favorable publicity and plenty of it. We have now about 200 daily newspapers cooperating with this service in the capacity of farm-labor agents. One member of their staff is appointed a farm-labor agent, at \$1 per annum; but the principal value of that newspaper is the publicity it gives us. They agree to give us not less than 4 inches of space daily, and 4 inches of space can work wonders. In towns where we have no agency these newspapers act as placement agencies for farm work only. In towns where we have agencies the work is turned over to the employment office; but the newspaper continues to give us the publicity, which is what we need.

#### MEXICAN LABOR.

A few of the States, in fact quite a number of the States, can make use to very good advantage of Mexican labor. These are the States where they raise sugar beets, and in the West Mexican laborers are used in the fruit territory and in cotton fields. They have also been used very largely in railroad main-



tenance of way, particularly in the territory west of the Mississippi River; and during the past year there has been an increasing shortage of this labor. When the draft law was put into effect a year ago German propagandists induced the Mexican laborers already in this country to believe they were to be forced into the American Army, and they left this country and returned to Mexico by the thousands. Since then, for various reasons, they have been very slow in returning, and in certain portions of the country there is a labor shortage because of this fact. However, the Secretary of Labor has just signed some new immigration regulations which will be put into force the 20th of this month. These regulations suspend the payment of the head tax, the enforcement of the literacy test, and the provisions of the contract labor law, thus enabling any employer who desires Mexican labor to import such labor without violating the immigration law and without payment of the head tax. This labor can be imported for the period of the war for three classes of employment only—agricultural pursuits, railroad maintenance of way, and lignite-coal mining in the regions that have in the past employed such labor. It is not thrown open to all lines of employers. To secure this labor employers should apply to either the United States Immigration Service or the United States Employment Service. I will not take up your time with further details, for the regulations will very soon be placed in your hands.

We believe that there is in every State, or nearly every State, in the Union an ample supply of labor for all needs within that State, if all labor is properly employed in the essential war industries, and it is up to you to see that it is so employed. We receive many complaints in the form of letters from chronic kickers and others throughout the country who seem to believe that the Employment Service can materialize an ample supply of experienced farm labor out of the air, but such is not the case. You must take inexperienced labor and train it, and it is up to you to have that training done. We can not do it down here in Washington.

There is one little matter in connection with your office routine that has given you more or less dissatisfaction, I guess, judging by a few of the complaints that have been made to me since you have come here, and that is the submission of weekly reports of farm-labor conditions, which I presume all of the employment officers are familiar with. The district superintendents can not quite understand why instructions have been issued that each local office shall submit this report direct to the department every week, instead of sending it through official channels and allowing the district superintendent to compile a summary. There are several reasons. In the first place not all of the States have State directors, as yet, to keep track of the local offices. I am not certain that all of the district superintendents are yet in complete touch with the offices in their territory. It is very important that we know here in Washington just what the conditions are in each locality where we have an employment office. There are good reasons for that, because it is not unusual to have a man out in the country write to a Senator or Congressman complaining of farm-labor conditions. If we have these detailed reports we are able to point out convincingly that this letter of complaint is not founded on facts; that it does not agree with the conditions in these localities as reported by our officers, if such be the case.

#### REPORT ON LOCAL CONDITIONS.

Another reason is, reports now on my desk show, that one office in a State reports a surplus of farm labor, while another office in the same State reports a shortage. Now, that is a matter that will be attended to by the State directors as soon as our organization gets to working smoothly and they can get in touch with all conditions. At the present time it is not working smoothly, and these reports enable us to have the labor distributed equally. Many of these reports are sent in only partially filled out. I have one on my desk now, where neither the name of the town, State, or district in which the office is located is given, nor is it signed by the officer submitting it. That report might have come from any one of 400 offices, and it is not uncommon to have reports come in unsigned. In one column of the report you will note wages paid. That column is not always filled out, and it is important. Just to convince you how important, let me refer to local conditions. In the Central West last February the farmers started in offering a very high wage, \$50 per month and up, for experienced farm hands. We had these reports coming in to our Omaha office. I came down to Washington about the middle of February, and

shortly thereafter we began to receive calls from the farmers in Virginia and Maryland. Some of these calls offered as low as \$15 per month, but the bulk of them offered \$20 and \$25, and some as high as \$30. We could not get men to accept farm labor at these wages with war industries offering as high as \$4 per day in the same territory. We pointed out the fact that they must pay higher wages, and showed the reports from the West. The result is that farmers who two months ago were expecting to get labor at from \$20 to \$30 are now offering from \$40 to \$60 and getting it. I hope you gentlemen will see that every office in your territory submits a complete report with liberal comment on local conditions in the vicinity of that office.

George W. McCree, of Minnesota, at the request of the delegates, sang "Bonnie Mary of Argyle."

The toastmaster then introduced Secretary of Labor Wilson to the conferees, as follows:

FELLOW OFFICIALS OF THE DEPARTMENT OF LABOR: Some one has said that when this war started it was just like dropping a curtain over our past lives, as everything seemed to be changed. When I came down here to Washington to get into the service I had one opportunity to go into the Army, another opportunity to get into some other department; but I tell you honestly, as a matter very close to my heart, I am very glad I got into the Department of Labor.

You new officials will appreciate it from day to day as you continue to work under the Department of Labor. As you go on you will believe in this organization, and you will believe in it because you will have confidence in its leader, the Secretary of Labor. You will grow to love the Secretary just as every official in the Department of Labor does, and just as every wage earner in this country does. You have often noticed the newspaper headlines, in great, big letters, to the effect that there has been a strike in some plant. When you read down you find that a few workers have walked out; but no emphasis is given to the fact that there are 40,000,000 workers working every day and not striking. That is one thing I have against the newspapers. One day I was in the Secretary's office and learned that there was not a strike in existence on that day in this country, and that there were 40,000,000 of men engaged in work. This is due to the confidence which the people have in that man and it is grounded on his character.

I try to analyze why manufacturers and why the labor men, the wage earners, have confidence in the Secretary of Labor, and I have come to the conclusion, by experience, that it is because he is absolutely fair. He will use his influence to settle the strike, and he will rule against the wage earner just as soon as he will rule against the manufacturer, and in every case that I have ever seen put up to him I have marveled at his ability to reach the right conclusion.

Since this war began there have been settled in the Department of Labor more than 900 disputes. Mr. Kerwin, Chief of the Division of Conciliation, is an able lieutenant to Secretary Wilson, and inspires the same sense of fairness which he has learned from his chief. The workingman says: "If Bill Wilson says so, it is all right," and the manufacturer has grown to have the same confidence in him.

You know in Japan they have a very pretty custom. They have altars there with sacred fires, and at regular intervals they walk from miles around to light torches from sacred fire and then go back to their homes and light their hearth fires. So, when these people came to Washington—these leaders among laboring men and leaders in industries—they came here to light the torch with the fire of justness, fairness, and patriotism from that great flame that burns over there in the person of William B. Wilson. I take great pleasure in introducing him.

#### ADDRESS BY SECRETARY WILSON AT CONFERENCE DINNER.

MR. TOASTMASTER: I would be very callous indeed if I did not feel deeply moved by the kindly things you have said about me and my work. There is one part of man in which he is able to read himself. A man may not be able to gauge his own ability; he may not be able to compare his own capacity with



that of his neighbors; but he can, far better than his neighbors, gauge his own motives. I know from that that at least my motives have been to bring happiness to mankind by placing all on a basis of equality as far as physical environments will permit of that equality.

I appreciate very much the delicate compliment that was paid to me by Mr. McCree in the singing of one of my favorite Scotch songs. I was born in Scotland. I left there when I was 8 years of age, came over as an immigrant, and discovered America at Castle Garden. I have a vivid recollection of the portion of Scotland that I came from, the valley of the Clyde in the neighborhood of Hamilton. I have had related to me by my parents the traditions of my family and of the country of my birth. I feel that every man must have a love for the country of his birth. I care not what that country may be, whether it is the beautiful hills and valleys of Scotland, the romantic mountains and glens of Switzerland, even the famous valley of the Rhine; but while a man may have an intense affection for the land of his birth, he has no business to come to this country, live in it, enjoy its institutions, partaking of the opportunities of working out the destinies of its people, unless he has within his bosom a more intense love for the country of his adoption. I feel that intensity of love. There were things in connection with the institutions of the country I came from that made my parents leave that country and come here. One of my earliest recollections was that of being turned out of our home, evicted in midwinter, and finding shelter in the stables of the tollhouse near by. There was not the human liberty, there was not the human hope, there was not the human opportunities existing there that we found here when we came, and with all my love for that country I have a greater love for this country, that gives to every man the greatest opportunities for individual development and collective enterprise that exist anywhere on the face of the globe.

#### GLAD FOR IMPERFECT INSTITUTIONS.

Not that our institutions are perfect; they are not. I am glad they are not. If they were perfect institutions we would have reached the highest point possible for mankind. There would be no greater heights to climb; and when you have reached the highest possible point then there is only one way in which you can move, and that is downward. So I am glad that we have not reached the highest point that it is possible for us to reach, because, after all, there is pleasure in the vigorous contest for progress, the vigorous contest for betterment, and I am glad that my days have been laid at a period and in a country where there is opportunity for exercising vigor and intelligence in moving toward higher planes with more splendid ideals.

Something has been said to you about this wonderful organization that has been so rapidly built up. I am going to repeat a thought to you that I have stated time and time again, until those who have heard it frequently from my lips may begin to think that the idea is threadbare; and that idea is that no great institution, no great accomplishment, ever comes into existence as the result of the brilliant workings of any one mind. Our institutions are a growth. They are the result of building one thought upon another; the accepting of one idea after another; and it is because of the larger number of minds that we now have working upon the problem and in consequence the development of a greater number of ideas that we are able to build more rapidly now than we were able to build before.

To my mind there has always been lacking in our institutions the proper means of connecting the employer and employee. We have had a clearing house for almost every other purpose imaginable—clearing houses of finance, clearing houses of cotton, clearing houses for wheat, clearing houses for every kind of human production—but we have no clearing house for human labor. The idea, or rather the nucleus—I might more properly say the germ—was first indicated in the Federal law when our immigration law was created. We were receiving from foreign countries large numbers of immigrants. They were people who came here, having seen the vision of human liberty. They were inspired with the hope that comes from a knowledge of our institutions. They had disposed of all of their little belongings in their home countries and had come to our shores, spending their possessions in the transportation, and when they reached here they were not in a position to go out on the land, cultivate, and live upon it until they could get returns therefrom. They could not go out upon the lands as farm laborers, because since the introduction of modern machinery

farming has become to a very great extent a seasonal occupation, and so they drifted into those classes of labor where they could secure speedy returns from their toil—where they could be paid at stated periods. They created in our industrial centers a congested condition, and we had large numbers of them unemployed. The number of unemployed varied in different periods, but there was always a condition existing where the man around the corner needed some repairs for his house and the carpenter around the corner needed the work, and neither knew of the needs of the other because there was no clearing house. To relieve that condition so far as it affected the immigrant there was placed in our immigration law a section creating a division the duty of which would be to find opportunities for the immigrant, and some thoughtful legislator added the words "and others." That division maintained an office in the Barge Office at New York. Here and there it was able to place the immigrant in some agricultural pursuit.

#### ORIGIN OF EMPLOYMENT SERVICE.

There was a disposition on the part of labor in industrial pursuits to fear the placement of those workmen in industrial occupations and to fear the competition of those men. To my mind the fear was based on a misconception of the economic conditions. I have more fear—and I may say that while I was myself engaged in actual physical work I had more fear of the man who had no job than I did of the competition of the man who did have a job. The placing of these men in industrial pursuits was more beneficial to the men who worked for wages than allowing them to congregate in our large cities and industrial centers without any occupation whatever.

However, the little division struggled along for years, placing a few hundreds of people annually, until the Department of Labor was created, a little more than five years ago; and we came to the conclusion then that the activities of that division ought to be extended. That also added but one thought to the thoughts that had gone before. We believed that the field of the division should be made broader and we took steps to accomplish that end. Then came the period of depression in 1914, with millions of workers out of employment; and at the same time the farmers in the great wheat belt in the Middle West needed tens of thousands, even hundreds of thousands of workers. But the worker idle in the city did not know of the opportunity for work in the wheat fields. We then conceived the idea of bringing the information to the idle workers that employment was to be had for a brief period of time in the harvest fields. We had no funds with which to move them; they had no funds with which to reach the harvest fields; but we gave them the information, and as a result 110,000 went into the wheat fields on the rods of the railway cars. The harvest was garnered, but we were then face to face with another problem. The 110,000 men who had gone from the States into the harvest fields at their own risk, if not at their own expense, had no further opportunity for employment there after the harvest was garnered and they drifted back into our cities with the hope of finding employment.

That turned my attention to another phase of the problem and the possibility of putting into operation what to me for years had been a dream, and to me seems yet but purely a dream. Time and again I have presented the thought to different bodies of men; time and time again we have sent representatives of the Department of Labor out with the idea of putting into practical operation the dream which I believed would remedy that phase of the problem. My dream was based upon an actual experience that I had had in years gone by. Away back in 1885 I was working in the iron-ore mines at a little place called Clinton, in the Mohawk Valley in the State of New York. At that time the Mohawk Valley was the center of the hop-growing industry of the United States. Hop picking was a seasonal occupation, but there were acres and acres of hop fields to be harvested. I was there during the summer months and I was surprised when along after the middle of September the mines shut down, the factories shut down, all of the little shops and other establishments closed up. The owners of the establishments had made preparation for the annual repairs and replacements at that time. They retained a sufficient number of workmen to carry on that work and the balance of the inhabitants—men, women, and children—went out into the hop fields picking hops during the day and having "hops" at night. They made a holiday of it. It was a change of work, and changes of work are rest.



## CHANGE OF WORK IS REST.

I recall when I was a little boy, working in the mines with my father that he used to say to me: "Willie, drill that hole while you rest; load that car while you rest; set that prop while you rest," and so on, and I could not understand the philosophy of the statements he was making then. As I grew older and more observant I learned that a change of work was rest. But this was not only a change of work, it was taking the men, women, and children from the mines, the factories, and the homes and placing them where they could have God's sunshine and fresh air. They garnered the harvest; they garnered the hop crop; and then when it had been garnered they had work to go back to in their own neighborhood. Nothing was lost to the mining corporations, nothing was lost to the smelting corporations, the factories, or the shops, because they were doing at that time what they had to do at some period of the year. They lost nothing, and there was plenty of labor to take care of the crops.

Now, if that could be put into actual operation with regard to the gathering of hops, why could it not be put into actual operation in our great specialized crop sections of the country in harvesting wheat, in picking cotton, in gathering fruit, and the other specialized farming elements that are seasonal in their nature? I have hoped that some day it would be put into operation, and I feel that now when we need the fullest efficiency of our labor power something might be done to make that dream of mine come true.

We are now engaged in a great conflict; how long it is going to last no one knows, so far as time is concerned. The nearest that we can come to stating a definite conclusion of the conflict is that it will come to an end when Prussian militarism has been crushed and our own institutions are free from any menace from them. That may be within a year or two years; it may not be for a long period of time, and we must prepare not merely for the termination in a short period of time but we must prepare for the continuation of the war until our children have the same opportunity of working out their own destiny in their own way that we have had in working out our destiny in our own way.

## STORY OF SCOTCH FARMER.

I am reminded by the situation over on the other side of an anecdote that I once heard of a canny Scotch farmer who had a horse for sale. He advertised it, and a man from the city came out in response to the advertisement to look at the animal. He examined it all over carefully. He was a lover of horses, and he found it to be clean of limb, to be sound of wind, not a blotch or blemish upon it anywhere. He was well pleased with its appearance and asked the farmer the price of the animal. The farmer said to him, "I see you are very well pleased with the horse, but I want to be honest with you, the horse has two faults. I am willing to tell you what one of the faults is before you buy the horse, and I will tell you the other fault after you have bought it." The man from the city thought that a very fair proposition. Before buying the horse he asked what the first fault was, and the farmer said, "The first fault is that when he is out in the pasture he is awfully hard to catch." The man from the city said that that would not make any difference to him; he was going to take the horse to the city where it would be hitched up to his carriage or, if not, would be tied in the stable, and so the fact that it was difficult to catch would make no difference to him. Having bought the horse he said to the farmer, "Now, what is the other fault?" "Well," said the canny Scot, "the other fault is that after you have caught it it isn't worth a d—n."

Now, we are having a great deal of trouble catching the Kaiser and his military advisers; but I can definitely assure you that when we do catch them they won't be worth a d—n. We are in this fight, not because we have any selfish motives other than one; we have no desire for the acquisition of territory; we have no desire to grasp power for ourselves; the only selfish motive that we have is the desire to live our own lives in our own land unhampered by the mailed fist of the Kaiser or any other autocrat on earth.

We need this organization that has been built by placing one thought upon another as a means of increasing our efficiency both at home and abroad, to the end that the struggle will terminate for the welfare of mankind, for the maintenance of democracy, and terminate at the earliest possible time, so that, through democracy, justice may remain untrammelled on the face of the earth.

Following the Secretary's remarks, Mr. Hall said:

We can not adjourn this meeting without remembering one of our assistants, who would have been here if he could have been, who is very ill in Washington, a great labor leader, a fair and just man to labor and capital, an ex-head of the Knights of Labor, Terence V. Powderly, Chief of the Information, Administrative, and Clearance Division, United States Employment Service. There has been passed to me the following resolution, which I will ask you to adopt:

*Resolved*, That we, comprising officials of the United States Employment Service, Department of Labor, assembled in the War Labor Conference, express our deep sympathy in the sickness of our comrade, Terence V. Powderly, our keen regret that he has not been able to be with us, and our best wishes for his speedy recovery; a copy of this resolution to be transmitted to Mr. Powderly.

On motion of Mr. Self, the resolution was unanimously adopted by a rising vote.

The toastmaster appointed Messrs. Boyce, Leavitt, and Williams, the latter to act as chairman, as a committee to arrange to have some flowers sent to Mr. Powderly with the best wishes of the conferees.

At the suggestion of the toastmaster the function was closed by singing one verse of "America."

## SATURDAY, JUNE 15.

The third day's session of the conference began at 10.30 a. m., with Mr. Hall as chairman. He introduced Roger W. Babson, Chief of the Inquiry and Education Division of the United States Employment Service, as follows:

Now we are going to hear this morning from a man who has made a life study of getting the facts. His name now is almost a household word in business organizations. You have all seen the Babson Statistical Service advertisements in the magazines. Mr. Babson says he is not a statistician. I say he is. He says the only thing he does is to take other people's figures and make them human; but I want to tell you he is a real executive. He has one of the best bents for publicity I ever saw in putting things over for the Department of Labor. He is at the head of an important division. It rests upon him to "sell" the Department of Labor—including the Employment Service—to the manufacturers and to the wage earners. It rests upon him also to be the repository for all information concerning labor which the Government may want at any time. The different departments will want information about labor, and I want to tell you the information will always be there. He finds the facts before he juggles them, but he does find the facts.

### ADDRESS BY ROGER W. BABSON, CHIEF OF THE INQUIRY AND EDUCATION DIVISION, U. S. EMPLOYMENT SERVICE.

#### "How the Employment and Reserve Agents Can Assist the Division of Inquiry and Education."

MR. CHAIRMAN AND GENTLEMEN: I think we are all kind of woozy this morning, after being up so late last night. Hence instead of talking statistics to you I think I will confine myself to telling you a few stories.

First let me tell how I came to get into this work, for this room brings back to my mind a great many pleasant and interesting memories.

It was the day before Christmast last that I got a telegram from Mr. Litchfield asking me to come on here and help the Department of Labor draw up some blanks for recording labor needs. I wired back that I would be here the day after Christmas. So I left Wellesley Christmas afternoon and arrived here in this room, by that very door there, on December 26, 1917. Talk about cold receptions! I never in my life got such a cold reception before. The thermometer was down below zero, and Washington was having the coldest weather it had had for years. Mr. Litchfield, who had sent for me, had left



for the Pacific coast, so no one knew for what I was wanted. Mr. Hall and Mr. Smyth were snowbound on a train somewhere between New York and Washington. There was no coal in the cellar of one end of the building, and when one turned the gas on at the gas stove nothing but cold air came out.

However, I became endeared with the work, and especially with the men whom I met. In the course of those two weeks Mr. Hall introduced me to Mr. Clayton, and like the rest of you, I fell in love with Mr. Clayton.

I had heard so much about departments and bureaus that I was afraid of those terms, but there was something about the word "service" that pleased me. Hence, after finishing the work here, I asked Mr. Clayton if there was anything I could do for him in the Employment Service, with emphasis on the word "service." After some negotiations he said "Yes," and said, "Mr. Babson, what about the terms?" I asked: "What is the proper thing?" As a faithful servant of the Government, he replied: "I have authority to pay you anywhere from a dollar to \$1,200 a year." "All right," said I, "you had better make it \$1,200."

The next day I was sent West on a month's trip to tell the story of the Department of Labor before the 12 leading chambers of commerce of the country. I came back in February, and after a month with the Committee on Public Information was assigned to be Mr. Densmore's office boy, which position I now hold. You all may laugh, but I tell you men that a good office boy is a mighty rare thing nowadays; what are needed in Washington and in your territories are good office boys. We can get plenty of men to be heads of departments, but when it comes to getting men to do the real work in an unglorified office-boy style there is real difficulty. As I have been thinking it over, I have given up all hope of being President of the United States—but I am trying to be the best office boy the American people have got. My dream here in Washington is to be the best office boy in the United States; to be an office boy for you State directors and for your 400 employment offices.

Story No. 1: When I finished high school in Gloucester, Mass., I got my first job from Winslow L. Weber, then city engineer of Gloucester. Mr. Weber I did not see much of, having worked there only a season; but I never forgot that man. Some 10 or 15 years afterwards I saw in the paper that he had died. I took pains to write my father in Gloucester to find out in what circumstances his family was left. I found out he had left one boy with no money. I got in touch with the boy and found he was just entering high school. Said I to the boy, "Is there anything I can do for you?" and he replied, "Yes; you can give me a job." I said, "You had better finish high school, but I will help you." He worked at my summer home at Gloucester, taking care of the grass, etc., for three seasons, and he graduated from high school this month. Last week he went to work in the Babson statistical organization, training for our sales department.

#### SERVICE TO MOLD IDEAS.

Now, if you are a human being, you have the most regard for your father of any man; but, next to your father, you feel most kindly toward the man who gave you your first job. I try to keep this thought in mind in connection with the United States Employment Service. The American people during the next few years, especially the great wage-earning class, will form their ideas of Uncle Sam, not by what they read in textbooks but by how your examiners in the 500 employment agencies treat them. You men have the opportunity of having them feel toward Uncle Sam, who gives them their jobs, as I felt toward that man Weber, now dead and gone, who gave me my first job, and as you feel toward the one who has given you a helping hand and started you out on the voyage of life. It seems to me that the greatest opportunity for creating a loyal people and the greatest opportunity of Americanizing this country and of preventing in this country what has taken place in Russia rests in our hands.

The wage earners and the employers of the country are going to judge Uncle Sam, not by his representatives in the post offices, not by his representatives in the tax-collectors' offices, but their idea of Uncle Sam is going to be secured through you men, from the 500 employment offices and 20,000 reserve agents. The United States is going to be judged by you and them. That is the vision which the Information and Education Department has before it, and it is this vision which I want to impart to you this morning.

Story No. 2: One morning Elbert Hubbard left for Europe on the *Lusitania*. The next day I received in the mail a picture. It was a colored picture which he had torn off the cover of some ladies' magazine. It was a picture of a

show window in a ladies' furnishing store where there were a lot of attractive forms with attractive gowns on. Underneath the picture was written in long-hand, "Dear Babson: How figures do lie!" and signed, "Elbert Hubbard." He had dropped the letter in the box as he went aboard the steamer. Then the *Lusitania* was struck by those brutal Germans. Elbert Hubbard went to the bottom of the sea, where he is to-day. What did he mean by writing, "How figures do lie"? I don't know. I shall never see him again; I can never ask him. I think, however, what he had in his mind was to illustrate what he and I had often talked about—the difference between *human* figures and *dead* figures. Those were beautiful forms in that store window, but they had no life and hence they were no good.

We hear a lot about statistics. As long as the war lasts, the more you are going to hear about labor statistics. You are going to be flooded with reports and requests for reports. You will perhaps have to devote much of the energy of your force simply to filling out blanks. The blanks, however, that are asked for by the Employment Service will be asked for only for current information. We want only live figures; not the kind to which Mr. Hubbard referred. There are two important daily blanks, Nos. 9 and 10, which you should send us every day, with a copy to your State directors. Each day be sure that your offices write us a general letter in accordance with Mr. Densmore's order of February 18—Mondays, on the building trades; Tuesdays, on mechanics; Wednesdays, on other skilled trades; Thursdays, on common labor; Fridays, on farm labor; and Saturday, last but not least, on the women. Then, fill out the regular weekly and monthly reports.

#### REPORTS EXPLAINED.

I think it would interest you to know briefly how those reports are being used. They come in to me, and, through the assistance of Dr. Tyler, they are put into shape. A report is issued by us each week, in the form of a composite report from your various offices, showing the surplus and shortage in the different industries, and in the different localities. This weekly summary, which consists of a dozen typewritten pages, goes to the President of the United States, to the Secretary of War, to the Secretary of the Navy, and to the Secretary of Labor. On this summary it states, against each item, how many offices were heard from. It breaks my heart to furnish this summary every week, when only 100, 150, or 200 offices are heard from, while we say in the papers and in our speeches that we have from four to five hundred offices. I beg of you to get your reports in to us regularly and promptly, in order that we may show the President and Secretaries that we are all on our jobs; not simply drawing our pay but delivering the goods.

We also make maps of the United States and, by colorings, show where the labor surplus and shortage exist in different lines; the blue shows the surplus and the red the shortage. Finally a summary chart shows the composite report of all the offices; again, the blue shows the surplus and the red shows the shortage. For instance, this week's chart shows that a surplus exists in the building trades, but that this surplus is gradually decreasing. This chart includes all offices from which we get reports.

I thought you gentlemen might be interested in seeing that these reports were not being asked for simply to give you exercise, but that they are being used. Whenever you fail to send in a report, or whenever an office under your jurisdiction fails to send in a report, that fact is known to the President and Secretary of Labor and other Cabinet officials to whom I make this summary.

Secondly, I want to say that our division stands ready to reciprocate. Hence any time when you men want to know what the relative labor situation is in different sections of the country, if you will write us we will see that you have the information. It is a poor horse that won't squirt water both ways.

Story No. 3: One day in 1913 I was in Europe making some special investigations. It was the time of the Balkan War. I was interviewing the secretary of the Austrian Chamber of Commerce. After talking with him, a prominent Serbian came in and wanted an appointment. The secretary of the Austrian Chamber of Commerce said he was too busy to talk with him. The Serbian thereupon propounded his question, which was a perfectly legitimate question, something regarding the exports of Austria. Possibly the secretary of the Chamber of Commerce of Austria did not answer him because about the only exports of Austria at that time were waiters and musicians. Anyway, the Serbian was treated quite discourteously. That evening in the hotel



lobby I met the Serbian. As we were talking together he said: "I don't know who you are, but I will tell you one thing, which is that Austria is doing all she can do to drive us into war. There is a limit to everything. My friend, I am going to prophesy to you that within five years we will be at war with Austria, and when that comes off it will involve the whole of Europe."

I thought of that for many days, and one evening I sat down and wrote a story based thereon for the New York Times. If any of you will refer to a certain Sunday supplement for February, 1913, you will find nearly a full page by me on this subject. The war started in August, 1914, but in February, 1913, I stated in the New York Times that Serbia and Austria would be at war within five years and such a war would involve the whole of Europe. Now, I am not saying that this great European war started because the secretary of the Austrian Chamber of Commerce would not answer questions courteously, but I do say that a Government is judged very largely by the way it answers questions.

#### HELP IN ANSWERING QUESTIONS.

The Information and Education Service of the Department of Labor wants to be of service, not only to *you* in answering *your* inquiries, but it wants to be of service to the *400 employment offices and the 20,000 public reserve agents in answering all questions*. We want the people of every community to feel that if they have a legitimate question to ask about labor or any other subject related thereto they can go into one of your offices and ask the question. If you are not able to answer it, your office should forward the question to us, and we will answer it. Our first job is to supply you with facts; we desire to help you answer questions. Please use us.

Story No. 4: Three years ago I was traveling muleback from the Atlantic to the Pacific coast over the mountains of Central America. On that trip I came upon a monument in the woods. It was two or three thousand years old and had certain notices on it for the passers-by to read. With me was a newspaper man, who said: "This monument, Babson, illustrates why people will read posters and headlines in newspapers rather than read pamphlets or ordinary column material." Upon further pressing him for his reasons for this statement he replied: "The real reason why the average man skims through a newspaper and reads only the headlines instead of the body of the paper is because his ancestors for thousands of years have read notices and appeals in poster form while they have read ordinary type for only one or two hundred years. For thousands of years before the days of type, when messages were presented by caricatures and hieroglyphics, the poster form has been used. For this reason the Mother Goose book appeals to the child, the poster appeals to the average wage earner, and the headlines in the newspaper appeal to the business man."

With that idea in view, the Division of Information and Education is preparing for you and for the manufacturers in your territory a series of posters. Some of these are on the wall here before you. We are putting out new kinds of posters all the time. These posters are at your service, and we want you to use them. They have been prepared with the greatest of care, having been censored both by the representatives of the wageworkers and of the employers. They all carry the official seal and signature of the Secretary of Labor. These posters are not for personal distribution; they are not handbills. (I mention that because one employment office has written in for 1,000 copies. We can not execute orders like that.) Use judgment in ordering. We will say, for instance, that you have 50 factories in your territory, and each has four bulletin boards; then you want 200 posters. We will send them.

Some have criticized this size of poster, suggesting that it was too small. We have experimented on that carefully. These posters are not for outside work, and this is the largest size a manufacturer will put on his bulletin board. These posters are at your service. We are glad to supply them to you as fast as you will use them; but please see that they are not wasted. They should be put on bulletin boards and not used as handbills.

#### POSTERS APPEAL TO ALL.

If you will read these circulars, you will see that they do not preach to labor as labor; they do not preach to the manufacturer as employer. They recognize neither class nor sect. They recognize that there are but two classes of people in this country—the straight and the crooked.

In this connection let me here say that Mr. Bryant is now helping me in getting some display material for the windows in your offices. The purpose of these ads is to get the men into your offices. These will be ready before long, and Mr. Bryant wishes me to say that when you see a good idea or see an attractive window, tell us about it, and we will have it written up for the benefit of the other 400 employment offices, so that all will profit by it. Please do that, too.

Story No. 5: You will remember in the splendid talk which the Secretary of Labor gave you yesterday, he spoke considerably about the dangers, the cost, and the waste of "turnover." In assigning me to this work he said, "I want you to devote your attention to information and education; information work along lines which I have already explained to you, but in educational work remember there are two factors to consider. You must not be content to educate the wage earners only, but you must also educate the employers as to the best means of reducing "turnover."

If the present serious turnover can be eliminated in this country, it would be the same as increasing the available man power 22 per cent. For that reason we are doing all we can to help the employment management schools, in which Capt. Boyd Fisher has been so much interested. Two or three exist at the present time, and we shall be glad to help you get men into those employment management schools.

Another thing which we are interested in is the question of competitive advertising for war workers. It is what I call "employment white slaving." It is a form of burglary. It will wind up in the same damnable way. Send us copies of such ads as they appear in your territory, and we will do all we can to eliminate them. Of course, we were very much delighted when the War Policies Board passed the resolutions which Mr. Smyth read to you yesterday. Our division will have these resolutions printed in large quantities and they will be for distribution at your offices; you can use them where and as you think best. The whole country should be covered with those resolutions. The Government printing presses are having a hard time to keep up with their work; but the Government printers are doing their best, and they are entitled to great credit.

Under the direction of Mr. Hall we are working out a very intensive publicity campaign, which I hope he will tell you about before the meeting closes. The leading trade papers of the country have given us a large amount of space in which to advertise the Employment Service. This advertising will appear next month, and we hope to follow it up with advertising in the newspapers. We are making these plans here, and I hope they will mature to your satisfaction; but if they do not, tell us so. We want to help.

#### TURNOVER REDUCING CONTEST.

I am not much at preaching to people. I believe, as Mr. Hall and Mr. Schwab believe, that the way to create interest is to create competition, and so I have received permission from the Secretary of Labor to start a competitive contest in five cities for the reduction of turnover. Sufficient notice will be given in these five cities, so that all firms will be offered the opportunity of entering the contest. Records will be kept by a general committee in the respective cities—a committee of three. At the close of the first month figures will be used as a basis of percentage; the second month will show which of these contesting firms has succeeded in reducing its turnover the greatest percentage. The firm which has made the greatest improvement will be awarded, by the Department of Labor, a handsome honor flag. The next month the contest will begin again. These contests will be followed up by an intensive campaign among the factories to have in each a war committee of the workers. These committees will of themselves plan campaigns to increase production, reduce lost time, and bring about better conditions.

I have told you a few stories. I have told you how the division of which I am chief wants to help you State directors, wants to help you employment district superintendents, wants to help your offices and the 20,000 public reserve agents. First, we want to help you by getting workers for the industries; second, by getting reports for your guidance and use; third, by enabling you to be a source of information in your own communities; fourth, by supplying you and your agents with attractive and safe posters; and fifth, by helping you make an especial campaign in your States to reduce overturn.

In closing just give me two minutes to tell you what I want you to do for me.

A part of the work assigned to our division is publicity—general newspaper



publicity. I hesitate to say much about this, as you all receive the UNITED STATES EMPLOYMENT SERVICE BULLETIN, and see what the newspapers are doing for us. Mr. Chiquoine deserves all the credit for this BULLETIN, not I. When we get our appropriation from Congress it will be better, busier, and bigger than ever before. In addition to this BULLETIN, however, the Secretary has placed upon me the newspaper and magazine publicity.

Now, gentlemen, the only unpleasantness which I have ever had with anybody in connection with the United States Government has been on this subject of publicity. I don't believe in "Liberty motor publicity." I don't believe in telling what we are going to do and taking any chances on doing it. I believe in getting our plans laid and being sure that we can do things, and in beginning to do them before talking too much about them. I believe that the best advertisement in the world is "service." I believe that by rendering service we not only have an opportunity of putting the Employment Service on the map, but we have the greatest opportunity in the world of putting the United States Government and Uncle Sam on the map. Therefore, I have this one request to make of you, which is that you put service and enthusiasm into your work to make the United States Employment Service, the United States Public Service Reserve, and the Boys' Working Reserve three big factors in winning this war. Then I will see that you get publicity in every paper and magazine in the United States.

Alexander D. Chiquoine, jr., editor of the UNITED STATES EMPLOYMENT SERVICE BULLETIN, was the next speaker. He was introduced by Mr. Hall as "the father of the BULLETIN."

#### ADDRESS BY ALEXANDER D. CHIQUOINE, Jr., EDITOR OF THE U. S. EMPLOYMENT SERVICE BULLETIN.

##### "The Necessity of Local Publicity."

I am going to keep ahead of schedule and take only a minute. The subject of publicity and how to get it is so great that it would be useless to attempt to cover it in a few words. We are planning to issue a brief guide to publicity getting for use by the field service, but there are a few A B C's of publicity getting which I might mention.

The fundamentals of successful publicity getting are these: Issue only *news*; issue it in a form that will attract the editor's attention, which means primarily that it must be as brief and concise as possible and in newspaper style; and establish a personal contact with editors and reporters.

There are no more patriotic organizations in the country than the newspapers. Pick up any paper and look at the vast amount of space given free to the Red Cross, Treasury Department, and Food Administration. But the newspaper can not do the physically impossible. It can not print all that it receives. If every time you walked down the street solicitors for charitable organizations asked you at every step for a contribution far beyond your means, it would be decidedly irritating, no matter how charitably inclined you may be or how generously you are contributing. Yet such a situation is analogous to that in which the newspapers are placed to-day.

Every newspaper office is now receiving publicity material from Government departments, boards, and bureaus, relief, patriotic, and other organizations in a quantity many times greater than its total space. Much of this is useless. Virtually all of it bears at the top of the first page a request or an injunction upon the editor to use it as his patriotic duty. The daily avalanche of "canned stuff" is the bugbear of the editor's existence. Most of its authors use 100 lines to say what 10 will tell. The pith—the news—may be buried in the last paragraph of the last page. It is frequently mimeographed so poorly that words are indecipherable. The result is that 90 per cent of necessity must go into the editorial waste basket.

##### BIDDING FOR SPACE.

Remember this: You are bidding for space against every other Government agency and hundreds of private organizations. It is up to you to get a hearing and you must do this by an intelligent preparation of your material if you can't reach the editor or the reporter direct. The man who applies for a job endeavors to make the most striking kind of a letter of application. You

must send material in such a form that it will be included in the wheat sifted from the mail sacks full of chaff.

In the mistakes of others in their attempts to get space in the press lies your opportunity. Have you material so newsy, so short, so concise, and so well typed or mimeographed that the editor may pick out the envelop containing it, knowing in advance that he has a good story. Don't send out anything on the chance that it may be used. It won't. Don't call upon the patriotism of the editor. Let the newspapers use your matter because, first, it is *news*, and let the patriotism come in by the editor giving you more space and a better position in the paper than the story actually deserves.

It is a simple enough matter to furnish news to the press of your communities. No part of the Government is so replete with news, so full of news possibilities, than the Employment Service. Your placements, interesting applications, future plans—all these things are news, for the problem of war labor to-day is one of the newsiest subjects of the war.

No other part of the Government is so full of news possibilities as the United States Employment Service. There is not a branch office that can not get constant and generous space in the local press if it only goes about it intelligently and sensibly. No part of the Government needs publicity more than the Employment Service. Mr. Litchfield said last night that we would have to obtain the full cooperation of employers and workers, and this we can never get unless we have their confidence, and confidence comes only through understanding. Through well-directed, intelligent publicity they must be made to understand.

#### USE BULLETIN AND LOCAL MATTER.

We can not send you all your material from Washington. It would be unnecessary were it possible. There is a good source of news, however, in the columns of the UNITED STATES EMPLOYMENT SERVICE BULLETIN. If each branch office will take a copy as soon as it is received each week, have a stenographer copy items from it, and send carbons to the local newspapers, they will doubtless find that most of the matter will be used. For the BULLETIN's stories are news, and they, for the most part, have not been made public before. A number of the branch offices are now doing this with success; some are taking the BULLETIN's themselves to the local editors. But, after all, the newspaper takes most kindly to local news, and it is the story of the accomplishments of each office—the placements, unusual applications, etc.—that can be used to best effect. The BULLETIN's stories, however, are valuable and should be given to the local press, because they explain the national work and scope of the Employment Service.

There are other mediums of publicity besides the newspapers. The organ of the local chamber of commerce is a valuable one, and in a number of cities the chamber of commerce or board of trade is devoting a column or more to the activities of the local branch of the Employment Service and the national organization. Local trade and other publications should be used.

Whenever possible obtain the cooperation of the State and county councils of defense in your publicity work. Most of these councils have highly organized publicity departments in charge of trained newspaper men. Ask the councils to put out material for you. They should be willing to issue a good story a week, at least, and their publicity systems would insure its reaching many papers. These publicity services, moreover, have the advantage of personal touch with local editors, through their agents, and a story sent by hand is worth two by mail.

The handling of accounts was explained by J. B. Leeman, Chief of the Accounts Section of the Division of Information, Administration, and Clearance.

#### ADDRESS BY J. B. LEEMAN, CHIEF OF THE ACCOUNTS SECTION, U. S. EMPLOYMENT SERVICE.

##### "Explanation of Accounting System."

In the five minutes allotted to me it will be impossible to go into any detail in regard to the matter of accounts, vouchers, and allotment reports. However, I desire just for a moment to call your attention to the pamphlet that



you received yesterday entitled "Methods of Accounting and Maintaining Allotment Records." I will make no attempt to go into this in detail, except to call your attention to page 6. It is important that a careful study be made of this page and that the instructions thereon be carefully followed.

There has been considerable confusion in the matter of making the reports called for on this page on account of the lack of organization in the different districts, and little use has been made of such reports. However, we earnestly desire and expect to get this in good working order at the beginning of the fiscal year in July. It is thought that all of the districts will be completely organized at that time, and some clerk should be detailed to handle allotment affairs at each district headquarters and be given an opportunity to make a careful study of the system we expect to follow. All allotment reports, pay rolls, expense accounts, and vouchers should be transmitted to this office through the office of the district superintendent and should bear his approval.

Reports have been submitted from the various field offices, without regard to district headquarters; and the same is true of vouchers and expense accounts. This practice must be discontinued if our allotment system is to be made a success. I would take pleasure in going into this subject in a great deal more detail if time permitted, but that is all that I will have time to say in regard to these matters at the present time.

#### TRANSPORTATION REQUESTS.

Just a word in regard to transportation requests. What I say here may sound very elementary to some of our field officers who are old employees of the Immigration Service, but from the way the transportation requests have been handled it is apparent that some of our new employees need instruction thereon. The green copy of the transportation request, as you understand, of course, goes to the railroad company for the purchase of transportation. The memorandum copy should be retained by the officer who issues same and be attached to his expense voucher when forwarded for settlement. In case no other expenses are incurred, that fact should be stated on the reverse of the transportation request over the signature of the district superintendent. This is all explained in the travel regulations of the department, and should be followed strictly. A great deal of annoyance has been caused by the fact that the amount or cost of the transportation request is frequently omitted. On the green, or original, copy there is no space for the cost to be shown, as the railroad companies do not need to be informed on that subject, but on the memorandum copy in the upper left-hand corner there is a space where the cost of the transportation should be shown. This is important, as in the absence of complete reports this office has no way of ascertaining the amount of transportation to be charged against our appropriation. You can readily see how our appropriation might be rapidly used, or even over-obligated, if this information is not given. No well-regulated business house would think of having traveling men on the road without knowing what their transportation was costing from time to time. Be sure to instruct all of your field officers on this matter.

In answer to the question that has just been raised in regard to expense accounts submitted by officers of the Public Service Reserve, I will say that all such expense accounts, instead of being submitted through the offices of the district superintendents of the various districts, should be submitted direct to the National Director, Mr. Hall.

#### PERSONAL EXPENSE ACCOUNTS.

Considerable confusion has existed in the preparation of personal expense accounts, and no doubt annoyance has been experienced by many officials of this service on account of what appears to be red-tape methods in having their expense accounts audited and paid. Just one little illustration to show that there are many things in the travel regulations that appear in themselves to be unnecessary. For instance, if a traveler leaves his official station after 6 o'clock in the afternoon, the auditor has invariably held that he is not entitled to take his evening meal on the train, on the ground that he should have taken this meal at his home. We all understand, of course, that in many cases this would be impossible unless the officer should leave his office early in the afternoon and proceed to his home for this purpose; but it is necessary to have some starting point, and 6 o'clock is the hour that the auditor has adopted for this

rule. You will not find this hour mentioned in the travel regulations, and that is why I call your attention to the matter.

In reply to the question as to when per diem begins, I will only say that per diem begins at midnight on the day the traveler leaves his official station. This matter is all explained in paragraphs 52, 53, and 54 of the travel regulations and should be carefully studied in order that it will be thoroughly understood.

In regard to the question that has been raised, where an officer's home is in a different location from his official station, you will find that the same rule applies, and is also covered by paragraph 42 of the travel regulations.

#### SALARY CHECKS.

Now, just a word in regard to nonreceipt of salary checks. Complaints are continually pouring into this office in regard to this matter, and it might be well to state just here a few of the reasons why salary checks are sometimes delayed. One common reason is on account of the way appointments are made. Urgent recommendations are made by telegraph for the appointment of new employees, and almost invariably the names are misspelled—largely through the fault of the telegraph operator, perhaps. The appointment is issued under the name as it is received, and later the oath is received with the name spelled in an entirely different way. This makes it necessary to amend the appointment and, of course, results in delay in payment of salaries, because no salaries are paid until the oath and appointment agree in every detail. Another cause for the delay in payment of salaries is that frequently new employees take the oath of office and do not send it in to this office. It is not strange that this is the case, as there is nothing on the oath to indicate what disposition should be made of it. If new employees are not instructed in this matter, they are likely to put the oath of office in their pocket and carry it around several days before sending it in, and then wonder why their salaries are not paid. It is the duty of all district superintendents to see that this matter is properly attended to. There are some other reasons that might be given why salaries are delayed. Sometimes names are left off the pay rolls by mistake, because the district superintendents have no record of the appointment. When districts are completely organized these difficulties will be largely overcome.

#### SUPPLIES.

Now, just a few words in regard to the purchase of supplies. The circular that you have, entitled "Methods of Accounting and Maintaining Allotment Records," quotes a section of the law governing the purchase of supplies for the use of the Government. This law must be observed, of course, no matter how cumbersome the methods described thereunder may seem to be. The law is not of our own making, but it must be executed and obeyed, otherwise vouchers covering the purchase of supplies can not be paid. Perhaps considerable annoyance has been occasioned by the accounts division sending back vouchers repeatedly for correction. This division stands as a buffer between you and the disbursing office. If we did not send the vouchers back to you, the disbursing clerk would send them back to us, and if he did not send them back to us the Auditor for the State and Other Departments would send them back to him to suspend the amounts paid. In his case the result would be serious, as he would have to reimburse the Government at his own expense for any illegal payment. Everything possible will be done by this office to instruct field offices how to make vouchers according to law, and it is earnestly requested that an effort be made to become familiar with the legal methods to pursue.

#### ROUND-TABLE CONFERENCE.

The remainder of the morning was devoted to a round-table conference, as follows:

Mr. E. C. FELTON, of Pennsylvania. Mr. Chairman and gentlemen, I know the time is very much limited, and I will just say this: I know the gentlemen here are especially interested in those pictures which were shown last night (of the Pennsylvania Boys' Working Reserve camp), and I would like to say just a little bit about the training of the boys. If you gentlemen are going



back—and I know you are—and are going to try to get a similar system in operation in your State for next year, it is well that you should understand some of the difficulties which we have had in order that it may be easier for you to work out your own problems.

When we first took this up we found that the great difficulty was that these boys are all of school age. They are needed for work on the farms while the schools, under the Pennsylvania State laws, are in session. Now, there was the great difficulty which we had to overcome, and I suppose in the other States the conditions will be similar. If you can't get those boys released from school in time, they are going to be of very little use to you on the farms during the season. Recognizing that, we went to the school authorities in Harrisburg and tried to make arrangements to have the high-school boys released in time to go into these camps. Pennsylvania, as you know, possesses a very valuable ingredient in its population—that of the Pennsylvania Germans. They are the most consistent people, I think, there are in the United States, and they are the hardest to get to adopt new ideas. We couldn't get the superintendent or members of the school board to see that the necessity of the war justified the release of those high-school boys from school. We went back very much discouraged. Luckily in Pennsylvania the great cities of Pittsburgh and Philadelphia are outside of the State system of schools. We then went to the school authorities in the city of Philadelphia. We took up with them this question of getting the boys released from school. We worked a good deal with them, and I never will forget the evening after we succeeded in getting the consent of those people to release the boys from the schools in time to go into this farm work.

#### INSPECTION OF BOY WORKERS.

Now, they released them on this condition, and it is very important—they released them on condition that we would have the boys on the farms carefully inspected; that we would have reports made each week as to the condition and progress that those boys were making. Further than that, they agreed to give the boys credit against their school work for the time that they put in on the farms if our inspectors reported that they were doing their work satisfactorily.

That is a great inducement to the boys to go, because they did not lose any school time. The number of months or the number of weeks that they perform this duty on the farms counts against their school time; they get points for it and it counts in their graduation. This will do more than any other thing to get them to go.

There is one thing more that I do want to say: In that excellent talk of Mr. Smyth's yesterday—I think it was the most instructive talk that we had here—there was one thing that I can't agree with Mr. Smyth on. Perhaps I misunderstood him, but I do believe that the slackers around this country ought to be taken by the neck. I want to suggest that that be taken up in a national way. We have innumerable laws, and if this is taken up in separate States, each State trying to carry it out on a different principle, no results will be obtained, because of some of the States having different laws. If it is taken up in a national way and some comprehensive legislation is passed, we are going to do our duty by getting the men to work. I think any man here ought to be put in jail who doesn't do his share.

Mr. HALL. We have in the Public Service Reserve a legal section. That legal section at the present time is taking all these antiloafing laws of each State, comparing them, and seeing what is bad about them. When this is all done we are going to submit them to the Secretary, and we are going to find out what is the best thing to be done from a national standpoint to make these laws uniform. We are going to submit it to the best constitutional lawyer in the United States and see if it is going to hold water in every State, and then decide what is the best thing to be done.

Col. LEWIS T. BRYANT, of New Jersey. I think the idea of this round-table discussion and having the methods which have been adopted gone over is the most helpful experience we could get from this conference.

I will endeavor to give you hurriedly the system under which we work. I happen to be the Director of Employment and also Director of the Public Service Reserve for New Jersey. I have charge of all the factory regulations, the compensation for accidents, etc., as I am Commissioner of Labor of the State of New Jersey.

## NEW JERSEY'S SYSTEM.

We have endeavored to consolidate the entire machinery having to do with industry under one head. We are taking offices in the various industrial centers of our State. We try to have all the different offices of the service under one roof. We have the ground floor and such other floors as are necessary for the Employment Service. Our experience has been that it is absolutely essential to have a ground floor for an employment office. We also think it necessary to have a separate entry for women.

We have a room in Newark, 75 by possibly 180 feet, and have divided it up with necessary partitions—one little place for skilled laborers, one for the unskilled laborers, one for the superintendent, one of the women, etc. We found this trouble with having one room: At first we had a large entrance, and there would be 500 or 600 men standing around, and when the women would look in and see the large bunch of men they would turn around and go out. Then, we had a distinct entrance for the women, because they will come when they are not thrown into contact with the men.

We have a clerk whose job it is to get positions for men who are more or less handicapped; who are lame or have one arm or hand or leg off. It is his business to hunt a job that the man can fill. We feel that this fits in very nicely with us, on account of the Compensation Board being located in the same building. When a man comes before the Compensation Board, looking for adjustment of his claim, he is immediately sent downstairs to the placement clerk, and it is the job of the placement clerk to find something that man can do.

We have one division for unfortunate women, and from this office we placed 150 girls, with their babies, out on the farms of the State.

We have done one or two things in the way of advertising. We get our best ideas from the BULLETIN that you send out from Washington, and I want to go on record as indorsing it to the very fullest extent.

We take this course when we open an office: In the first place, we have the Federal-State-municipal arrangement. The office rent and the telephone service are paid by the citizens. In the city of Newark the city pays the first-floor rent of \$2,500, and the Government pays the second-floor rent of \$1,500. In the first place, this has the advantage of dividing the expense, and it also means a local interest in the employment work. We started out with this principle, that the local interests and the State interests and the Federal interests are all one in this large problem.

## POSTER CAMPAIGN.

We started out on our campaign and got large posters printed. We distributed them to the Boy Scouts. Then, we got up some circulars and went to the police department and had the police go out on their beats and distribute them; and if the police put up the circulars, they stay there. Another advantage is that when these policemen go out and distribute these circulars, we also give them a card, announcing where the offices are located, and when they find anybody in their town who hasn't a job, they send him to the Federal State employment office.

Next we get the school children interested. When we opened our Camden office we had two kinds of cards prepared, one for local distribution in the city of Camden, the other was for the five surrounding towns. We started out with a patriotic appeal for farm help. We rather camouflaged the other activities of the department with this patriotic appeal. We put a flag on the top of the card. Then we went to the school authorities and made an arrangement by which each child in six towns had one of these cards given to him on a certain day. On the bottom of these cards was printed a notice, "Please take this card to your home." We had 85,000 cards distributed in one day in the vicinity of Camden.

The idea we got from your BULLETIN was the moving pictures. We had a patriotic appeal made up, and made arrangements with every moving-picture house in the cities of Camden, Newark, and Trenton, so that in some part of each performance they put this slide on the screen; so everybody who goes to a moving-picture house in those towns must know about the Employment Service.

We endeavor to get our rooms large enough so that we can expand, and we find that if you can get one man a job he will tell others. We got one or



two deaf people jobs, and within a few days after that we had a large number of deaf people. They told each other that they could come there and get positions. I think that is one of the best systems that can be inaugurated—the taking care of people who are slightly incapacitated—through the Employment Service. When this conflict is over there is going to be a lot of maimed and disabled soldiers coming back here, and I don't know of any agency that is going to take care of the situation as well as the Public Employment Service of this country. While we are trying to do some things in our State we think we have already accomplished some things of which we can justly be proud.

Mr. JOHN R. O'LEARY, of New York. You omitted about the factory inspectors.

#### USE OF FACTORY INSPECTORS.

Col. BRYANT. In our State I have the advantage of controlling the entire industrial situation. New Jersey is the only State in the Union which has only one man in the administration.

Each factory inspector is really an agent for the Employment Service. When he goes into a factory it is his duty to go and find out the man who is doing the employing for that factory. When these men interview the employment manager they explain to him the existence of the service, and that it is free, and ask him to give it his orders.

We also have another innovation in our State, and that is what we call the factory chief workman. In each factory of any size—in fact, even in the small ones—we ask them to designate some one of their trusted employees, sometimes the assistant superintendent or the superintendent, engineer, foreman, or some high-grade employee to represent that firm as a factory inspector. He has a little badge, and he gets an autographed letter from the Department of Labor. When the employment representative enters the factory he asks for the factory chief, and he points out to the representative any matters of interest that may have come up.

In each one of the buildings which we have obtained we have a room which is large enough to hold conferences in, and it is our purpose to have a conference of all the factory chiefs in that particular district once a month, at which time we expect to have speakers come and give these men the benefit of their advice.

Another idea I got from this meeting is the idea of using this same proposition of inviting the employment managers into this room. I got another excellent idea from Mr. Saylor. I believe every employment office should have some method of vocational training. There ought to be somebody in the office who is trained to point out to a boy why he is not to take a place that will pay a dollar or two more, but show him that he should take one which is going to give him an opportunity to advance in life.

Mr. LEO A. KORPER, of Connecticut. I know you are short of time, and the most important thing I can contribute is time. I would rather hear from some of the others.

In Waterbury, in fact all over Connecticut, they looked at this United States Employment Service with a good deal of suspicion at first. They connected it with the United States Public Service Reserve, and believed it was designed to take their help away from munitions factories and put them into the shipyards. We had a little difficulty at first in getting them to cooperate to any great extent. At Waterbury they were particularly stubborn on that line. We didn't get very much cooperation, at first, until they saw that we could do something for them. The office there has been in operation only between two and three months.

#### COOPERATION BY CONNECTICUT MANUFACTURERS.

Mr. Budd, the superintendent or examiner of the office in Waterbury had a very successful meeting with the manufacturers last Friday night—which was attended by 120 different manufacturers—in which he outlined the plan to get men from nonessential industries into essential industries. In getting the manufacturers to attend that meeting he went around and saw them personally. He used as an illustration, in presenting the plan, a certain class of mechanics of which there was a shortage in the munition works in Waterbury, and he so convinced the men who were present that they released 22 men from 8 factories that they had believed indispensable before. The result of that meeting was that they voted unanimously, after a free discussion, to turn

over the whole matter of taking men from nonessential industries and putting them into essential industries to a committee of three, and voted to allow our superintendent to appoint that committee of three, and also a subcommittee who were to devote their whole time to this problem of getting men from non-essential industries into essential industries, and they have now come forward with this proposition: The factories are all willing to abandon their employment services and want us to handle the whole proposition.

I just want to say that Mr. Budd has been running a series of advertisements this week in the Waterbury papers, signed by the United States Employment Service and written by Mr. Budd—what part he didn't steal from Mr. Babson—and it is all our own publicity. The manufacturers have taken out all of their own advertisements and are using only ours. Another very important thing that I wanted to mention is that Mr. Budd also appointed a committee representing union labor in Waterbury, who are working with the manufacturers' committee of three—people who did not speak when they met on the street—and they are working together in entire harmony.

Mr. C. H. MAYHUGH, of Ohio. Mr. Chairman and gentlemen, the State of Ohio is divided into 22 districts. In each division we have an employment office with a certain number of clerks. Our divisions consist of from three to five towns. In each office we have a farm-labor man, or, if the office force is not large enough to permit, some one takes care of the farm-labor work with his other duties. These offices are all operated as units, with the central clearing house in Columbus. If we get an order from you in the East for a large number of men, we use the long-distance telephone, and we have been very successful in securing men.

A year ago each of our offices started out to organize its district. They went into each village and city and into every part of the county and appointed subagents, with the result that we have reached every township in every district.

When the Public Service Reserve enrollment was taken the cards were sorted by districts and then clasified, and in the central office we have the number of men in each district and can meet any call in pretty good time.

#### FARM-LABOR PROBLEM WELL HANDLED.

Our farm-labor problem, I believe, is very successfully handled. We have had no serious complaints from any section of our State on account of farm labor. In my office at Columbus we have a representative of the farm-help specialist of Ohio, who is coordinating the work in each county of all of the agencies doing farm-placement work. The clearance is handled by the central office. We have a report each day from each office of the positions unfilled and the applicants unplaced—that we are unable to place locally. Those are matched up and sent out and the others are bulletined. We use a card. On that day's report from each office we get the result; if a man has a place, his name is dropped from the list. There is a time period on our blank in which a job must be filled.

We have in our offices vocational work for boys and girls. We are specializing on handicaps. We are looking into the future.

Mr. WILLIAM T. BOYCE, of California. I guess it is just about the same old proposition of employment. I took hold of the situation in California and, under the instructions of our worthy Director General, endeavored to bring about cooperative understanding and agreement in connection with opening new offices by appealing to the governor, and through the action of our Director General, when it was possible, to get an appropriation through the governor or the State board of control. Finally, the State set aside \$15,000. It can readily be realized that even that was a mere bagatelle, and we went out then to see how it was possible to proceed with the little money that we could see in sight, because we are a long way from Washington. It was necessary to go out and seek patriots. Through our appeal we established 28 offices with men who agreed and were willing to serve this country for a dollar a year during certain seasons and periods. We opened 14 permanent offices for this service alone, then 25 of these small town offices, which gives us, as a whole, some 58 or 60 offices.

#### WESTERN OFFICES' REPORTS.

Under the system in operation each office in the State of California and all the offices in Nevada, Utah, and Arizona, which are within my district, mail to my office at the close of business each day a report on the outlook in connection



with all employment matters. I think, with but very few exceptions, on the following day we have summarized just the outlook in the whole community, and there isn't any situation that can arise that we can't go to the limit to remedy, if it needs remedying, with the least possible loss of time. I am very glad to say at this time that there isn't any situation that we haven't met.

However, we have a large shipbuilding industry in San Francisco. We opened our directors' office in San Francisco at the gates of the shipyard. There were gathered hundreds of thousands of men who were compelled to await their time to get in touch with the employment manager. Some of them were compelled to lose six, seven, and eight hours a day. The employers were loath to use anything having attached to it the word "labor." I had a good, friendly association with a number of them, having acted as conciliator at the iron foundry. I was also in about the same position with the union, and we remedied the condition, in so far as it applied to mechanics. The mechanics soon realized that by having a card from our office they got immediate attention and saw the foreman in no time, and it didn't take any time for that condition to remedy itself.

#### RECRUITING MECHANICS.

They then asked for a number of mechanics that we were unable to supply in our locality, and we started out to recruit. I won't mention the city in which our first recruiting was done. When this particular party arrived in San Francisco there were among them some 30 so-called riveters. They were escorted over to the Bethlehem Steel Co.'s and distributed to the several foremen. About 10 o'clock 25 riveters showed up in my office and said they had been shown the door. I was satisfied that they had not been given a fair opportunity to demonstrate that they could perform what they claimed to be able to perform, and we wanted them to be a little patient. I then sent for a man named Taylor. He is some riveter, because he claims to be able to determine at 400 yards a flush rivet, a snap rivet, or just a holding rivet. Taylor came in and gave these men in my presence an examination, and it wouldn't take anybody long to agree with Taylor that they were misfits. However, they were found employment, and they were glad to take the opportunity, with the exception of four, who still claimed that they were riveters, and they were taken back to the Union Iron Works. Two returned the next day and said they had been discharged a second time; two qualified. One man in particular said he had come a long way and had left a job that was paying more money than he was getting at the Bethlehem steel plant, and he was there to do his best. He made such a strong talk and it appealed to me so forcibly that I said, "I am going to see myself if you can make good." I telephoned the president and told him that they would have to demonstrate to me that at least two of these men couldn't make good. I took an official riveter, and they selected a committee of four foremen from the shop, and we went down under the keel of one of the largest boats. They put my man right up in the iron bow—possibly the most inaccessible place in that vessel that it would be possible to find—for that riveter to demonstrate. After he had driven 8 or 10 rivets I asked if the work was satisfactory. I said, "Have you any worse riveters in the yard?" And he said, "Lots of them, but we have lots of better ones."

After he had demonstrated that he was efficient he turned around to the foreman who was there and told him: "Here, here are two guns. You take your choice. Now, let's get together and let's demonstrate who is the lam." When we went up to the superintendent's office he said: "Gentlemen, I wouldn't work for you folks for any consideration, but it did me a lot of good to come here to tell that tramp what I thought of him."

We learned from this experience that it was absolutely necessary before transportation was issued to have the qualifications of the men absolutely determined.

Several of the largest shipbuilders have asked me to take over the whole employment feature. I have temporarily declined, telling them that when they had got in 100 per cent of the firms I would be glad to do it.

Mr. C. B. BARNES, of New York. I have an announcement to make. I think the chairman is probably aware that there is an American Association of Public Employment Offices. It has been in existence about five years, I believe. We have held annual meetings in the cities of Detroit, Buffalo, Milwaukee, and Cleveland; last year our meeting was in Milwaukee. This is a body of men who

are connected with public-employment office work. Most of our members were from the State systems, because at that time the Federal system was not as great as it is now. Now that we are going to have a real United States system, I want to announce to you that the American Association of Public Employment Offices invites you to become members. We are going to hold our next annual meeting in the city of Cleveland on September 18, 20, and 21. I want you to keep that in mind and as many as possible attend. We have real business meetings. I happen to be president at this time, and we do not allow much time for any camouflage, but we really do conduct it on the principle of sort of a round table as you are having here to-day. We bring up questions that are troubling us, and I think that by next September we are going to have a number of questions for discussion. We can get the best out of every man, who, by that time, will have had several months of actually being up against it. So I want to pass on this invitation to all of you.

#### TEXAS'S SYSTEM.

Mr. H. W. LEWIS, of Texas. Our district is located quite a distance from the seat of war and our city is located quite a distance back in the State. It has taken us some time to organize as we would like to, because we have tried in every instance to select the most desirable and capable business men to put into positions as examiners and assistant examiners. We now have the district well organized, with 24 offices and 1 central clearing house. We have splendid cooperation from the State council of defense, which is composed of 40 members; we also cooperate with the A. & M. College and with the State labor commission.

The Public Service Reserve and Employment Service officers are also coordinated very nicely, because in one State the Public Service Reserve director and the United States Employment Service State director have offices in one building. The State director in New Mexico has recently been appointed.

Our greatest work has been placing farm labor and shipbuilding labor. We were confronted with a great shortage of farm-labor help, and in order to overcome this we undertook to try to bring in the Mexicans for agricultural purposes. We have an office at each one of the ports of entry, of which there are five. We began to bring in Mexicans and their families, consisting of from one to six children from 1 to 16 years of age, but we had to shut them off, as we found it was impracticable. We had about 300 Mexicans on our hands, feeding them for a few days, but had to return them because we couldn't get the farms to take them.

Mr. H. J. METCALF, of Iowa. I will tell you what we have done in a small way. I wish to preface my remarks by saying we haven't any serious labor condition in Iowa whatsoever; have lots of farm labor, and I think everything in our State is in excellent condition. I have appointed a chairman in every county in the State—99—and I think we have at least 600 or 700 enrollment agents. In fact, we are taking very good care of the situation in every way. We were very careful in selecting the chairmen. We selected a man who we knew would do the work.

#### NEWSPAPERS HELPING.

In regard to cooperation with the newspapers, I happen to be a newspaper man myself; have worked at it practically all my life; and I haven't had a particle of trouble getting cooperation from the newspapers. I am also secretary of the State council of defense, and they have cooperated with us along those lines very extensively. We have the ministers working for us and the schoolmen, also, in our State. In fact, it was a voluntary offer by a minister who came into the office and said his people wanted to do something for this Public Service Reserve and for labor. He said it would be a good idea to recruit the ministers, and those men are going to help us in every possible way.

Mr. JOHN K. SHAW, of Maryland. Maryland is only the receiving end of it; so many plants have grown up there in such short order. We have plants that have grown from 2,500 to 8,000 in the shortest possible period, and the men haven't been assembled properly.

I would like to say something about a shipment of men that was sent through by the United States employment office for Government work. Twenty-six of them were hired by the employment office to work in the shipyards, with no requisition for them at all. Among them were four alien officers. I have just called particular attention to this. Otherwise, everything has gone very nicely.



Mr. ROADY KENEHAN, of Colorado. Colorado is in good shape. We are, I think, in the best shape of any State in the Union. The agricultural college and the farmers and this office get along finely. The agricultural college has in each farming county in the State an agent who has the name of every farmer, whether large or small, and what kind of crops he has in—fruit, hay, beets, or whatever it may be. Then, they have an organization for which the county pays one-third, the State one-third, and the agricultural people the other one-third. Each one of those agents has a Buick automobile, purchased by the same three organizations, and they furnish the gas. Any time that anyone of you wishes to visit Colorado, I will get you in touch with a county agricultural agent, and I will guarantee you the fastest and best ride you ever had in your life.

#### WESTERN FARM LABOR.

Mr. CHARLES McCaffree, of South Dakota. South Dakota, I think, has been as comfortable as any State. Our one industry really is farming. We have been getting our usual influx of the foreign laborers, but we have been a little scared lately, and I have started now to organize the farm-labor reserve in the cities. We now have the cards and are working on them.

We put it up to one town a while ago, and they had a united meeting, and the business men agreed to appoint a committee and that they would close all the business houses of the city when the time came that it would be required. The only objection came from a lawyer.

Mr. SCOTT LEAVITT, of Montana. I can't say that Montana is up to Colorado, because the county agricultural agents have Ford cars.

The organization in Montana, as you can see on the map, is pretty well worked out from a geographical standpoint. Practically every part of the State is provided with at least a key employment office. Twelve offices are now in operation and three more will be opened within a week or 10 days. In addition to that—I being State director of the Public Service Reserve also—we are using the county directors and enrollment agents as integral parts of the Employment Service. I have also had a conference with the State farm labor expert of the Department of Agriculture, and we have arrived at a plan of cooperation.

I want to refer just briefly to one statement that Mr. Babson made. Different ones have been referred to as having said something that was taken as being of particular value. There was one thing that Mr. Babson said that I believe is the heart and soul of this whole thing, and that is the opportunity that the Employment Service has through choosing the right kind of personnel and through the opening up of offices in charge of men who are thoroughly imbued with the idea of public service. The class of men to a great extent that we are going to deal with are men who up to this time have had practically no contact with our Government. They have felt that there was no part of the Government that functioned for them individually. Here we have an opportunity to help overcome that great feeling of social unrest which is a danger in the United States. The Secretary spoke of labor being an army behind the Army, and the morale of the army behind the Army is just as important as that of the Army at the front. We have the morale in our hands. Let us not overlook that.

#### SOLDIERS' SERVICE BUREAU.

Mr. HOBART W. SIMONDS, of Vermont. We are in about the same position that New Jersey is. We face a somewhat different situation, but as far as labor is concerned Vermont is abundantly supplied with everything but machinists. We have sent so many carpenters to shipyards that we can't build henhouses.

I have formed what I term a "Soldiers' Service Bureau." It stands to us to realize that sooner or later some of these boys who are going across the water are not coming back in the shape that they went away, and the object of this bureau is that when our boys come back from France there will be a position waiting for each of them, no matter what his incapacity may be. That bureau has been organized, and the name of each soldier will be reported to the office and the work that he is able to do will be found for him.

We have a large number of nonessential industries and a large number of men in those industries, and the State of Vermont will close the mines when we provide work for those men.

Mr. JAMES HUGHES, assistant to the Director General: I am very sorry that I haven't been able to attend the meetings here, due to the fact that I have been performing some functions for this service such as Col. House performs for the President.

I am really gratified to find that we have such a representative delegation as I see here before me to-day. I want to tell you that when I listened to the Secretary, to Brother Hall, and all the others tell how they organized this service, I really began to feel I should say something as to how I organized it. However, it is a real healthy child now, and everything appears to be going along in the finest shape.

I am mighty glad to be here, and I am glad to see so many men at this gathering.

### RECEPTION BY PRESIDENT WILSON.

The delegates reassembled at 1.30 p. m. and proceeded to the White House, where they were received by the President in the East Room. Secretary of Labor Wilson explained to the President that the delegation was made up of the men who were charged with the duty of recruiting labor for the war industries of the country; that they had come here to confer with the officials of the Department of Labor in Washington and with each other with respect to all questions affecting their work; and that he knew that they would go back to the duties assigned to them with more courage and more enthusiasm by virtue of the fact of their having had the opportunity to meet the Commander in Chief and receive a word of encouragement from him.

The President addressed the delegates, as follows:

Mr. SECRETARY: The word of encouragement I can give with all my heart. I wish I could give more by way of counsel that would be of service; but after the consultations and interchange of views that you have had you know more about the problem than I do. I can only say that the thing you are doing is one of the most necessary and serviceable things to be done; because while it is easy relatively to organize the armed forces it is infinitely more difficult to mobilize the working forces, the industrial forces, of the Nation. The American Nation has never tried before to do so. Therefore the task you are attacking is novel as well as difficult, and I am delighted that there should be so great a force of thought, energy, and enthusiasm to back this necessary and useful thing.

I am therefore very glad to utter not only a word of encouragement but a word of very sincere thanks that you have been good enough to associate yourselves with us in this thing that is so necessary to do. If at any time I can be of service to you I will be glad to render any counsel or assistance that you may desire. I do not know that I have very much to offer of my own. There has been hardly a day in recent years that I have not only had to use all the brains that I have but also all I could borrow; but if there is anything I can do for you, you are more than welcome to call upon me.



## **TEXT OF PRESIDENT WILSON'S STATEMENT, APPROVING THE CENTRALIZATION OF WAR-LABOR RECRUITING AND DISTRIBUTING IN THE UNITED STATES EMPLOYMENT SERVICE.**

For more than a year it has been our pride that not our armies and navies only, but our whole people, is engaged in a righteous war. We have said repeatedly that industry plays as essential and honorable a rôle in this great struggle as do our military armaments. We all recognize the truth of this, but we must also see its necessary implications—namely, that industry, doing a vital task for the Nation, must receive the support and assistance of the Nation. We must recognize that it is a natural demand—almost a right of anyone serving his country, whether employer or employee—to know that his service is being used in the most effective manner possible. In the case of labor this wholesome desire has been not a little thwarted owing to the changed conditions which war has created in the labor market.

There has been much confusion as to essential products. There has been ignorance of conditions—men have gone hundreds of miles in search of a job and wages which they might have found at their doors. Employers holding Government contracts of the highest importance have competed for workers with holders of similar contracts, and even with the Government itself, and have conducted expensive campaigns for recruiting labor in sections where the supply of labor was already exhausted. California draws its unskilled labor from as far east as Buffalo, and New York from as far west as the Mississippi. Thus labor has been induced to move fruitlessly from one place to another, congesting the railways and losing both time and money.

Such a condition is unfair alike to employer and employee, but most of all to the Nation itself, whose existence is threatened by any decrease in its productive power. It is obvious that this situation can be clarified and equalized by a central agency—the United States Employment Service of the Department of Labor, with the counsel of the War Labor Policies Board as the voice of all the industrial agencies of the Government. Such a central agency must have sole direction of all recruiting of civilian workers in war work, and in taking over this great responsibility must at the same time have power to assure to essential industry an adequate supply of labor, even to the extent of withdrawing workers from nonessential production. It must also protect labor from insincere and thoughtless appeals made to it under the plea of patriotism, and assure it that when it is asked to volunteer in some priority industry the need is real.

Therefore I, Woodrow Wilson, President of the United States of America, solemnly urge all employers engaged in war work to refrain after August 1, 1918, from recruiting unskilled labor in any manner except through this central agency. I urge labor to respond as loyally as heretofore to any calls issued by this agency for voluntary enlistment in essential industry. And I ask them both alike to remember that no sacrifice will have been in vain if we are able to prove beyond all question that the highest and best form of efficiency is the spontaneous cooperation of a free people.

WOODROW WILSON.

THE WHITE HOUSE, 17 June, 1918.

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## **SECRETARY OF LABOR WILSON'S LETTER TO THE PRESIDENT, URGING THE MILITARY NECESSITY OF THE CENTRALIZING PROGRAM ADOPTED BY THE WAR LABOR POLICIES BOARD.**

DEPARTMENT OF LABOR.  
Washington, June 15, 1918.

MY DEAR MR. PRESIDENT: Our increasing military energies are putting strains upon industry which call for the most careful husbanding of our man power.

We can no longer leave our labor supply to the unregulated forces of competition nor even the patriotic efforts of diverse agencies of the Government unrelated to a comprehensive policy and unified direction. There is an increasing shortage of unskilled labor for war projects and likewise a shortage in certain classes of skilled workers. The needed labor must be secured for war industries by drawing upon nonessential or less essential industries. At present this is done largely at haphazard. A dispensable industry competes for the labor of an essential plant; instances are frequent where one Government project secures men at the expense of another. As a result, the labor turnover is alarmingly great, with a loss in war efficiency which we can not afford. Not the least of the consequences of the existing situation is its effect upon the morale of workers in the restlessness which it produces and even encourages.

These are largely the natural consequences of subjecting to a new terrific strain existing agencies and old attitudes of mind. We can no longer submit to these. The first problem, therefore, to which the War Labor Policies Board addressed itself was the formulation of a plan to centralize the recruiting of so-called unskilled labor, and thus to insure the fullest use of such labor to the needs of the war. I am glad to report to you that the Board has arrived at a plan which embodies the opinion of every production department of the Government and is supported by the thought of representatives of industry and labor who have been in our counsel in working out this problem.

The essence of the plan is the recognition that one centralized national agency is demanded for recruiting the workers for the Nation's war needs, that the United States Employment Service of this department is the agency appropriate for this task, that adequate resources must be given to this service and corresponding effectiveness must be secured to enable it to discharge the responsibility. Accordingly every department of the Government through the strength at its disposal, whether it be by the mechanism of contract or by shutting off raw material from a recalcitrant industry, is pledged to the enforcement of this plan. It will mean, of course, that thereafter all private enterprise, in securing labor on a substantial scale, will be prohibited by the full authority at the disposal of the Government. Time must be given to make the needed adjustment, and therefore it has been deemed wise to postpone the installation of the new plan until August 1, 1918.

I write you thus at length because the proper mobilization and distribution of labor are themselves part of a fruitful and just national labor policy, and without these we can not hope for progress in the solution of other labor questions that call for settlement. The success of the plan is therefore indispensable. While it may encounter obstruction because of minor selfish interests which it must offend, we need not anticipate serious difficulties if the public mind is fully apprised and the Nation's understanding of our purposes is enlisted. The War Labor Policies Board therefore deemed the public announcement of this program of sufficient national importance to deserve, and indeed to call for, its proclamation by you. I share this conviction and join in this recommendation of the Policies Board. I strongly hope that the need of this action will commend itself to your wisdom.

Faithfully, yours,

W. B. WILSON, *Secretary.*

The PRESIDENT,  
The White House.

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#### RESOLUTION ADOPTED BY WAR LABOR POLICIES BOARD PLACING LABOR RECRUITING WITH U. S. EMPLOYMENT SERVICE.

Whereas the efficient prosecution of the war requires that all war industries be supplied promptly and adequately with competent workers; and

Whereas, in order to meet the present demands for labor, both skilled and unskilled, in war work; to insure that future requirements be filled without delay; to eliminate competitive inroads by one war industry upon the labor of another; to reduce turnover; and to equalize so far as possible the drain of labor from employers engaged in tasks less essential in time of war, it has come to be recognized by the industries of the country that it is necessary to centralize all labor-recruiting activities in one responsible department of the Federal Government: It is hereby *Resolved*:



1. All recruiting of industrial labor for public or private work connected with the war shall be conducted through or in accordance with methods authorized by the United States Employment Service. The present working agreement between the Departments of Labor and Agriculture relating to recruiting of farm labor shall not be affected thereby.

2. The full power of the Government shall be exercised through such agency to supply all the labor requirements of war industry and by means of volunteer recruitment to transfer men to such extent as may be necessary from nonwar work to war work.

3. This program shall be put into effect gradually by first applying it, beginning with July 15, 1918 (*postponed by the President to Aug. 1, 1918*), to unskilled labor, and thereafter as rapidly as possible to skilled labor. At the outset general authorization may be given (a) for hiring unskilled labor without solicitation; (b) for recruiting labor for railroads, farms, and nonwar work, and generally by employers whose fully working force will not, with the addition of the labor recruiting, exceed 100; and (c) for recruiting skilled labor. Such authorization by the United States Employment Service shall be given under regulations, to be approved by the War Labor Policies Board, calculated to prevent the taking of men needed in other war industries or on the farms.

4. All Government departments and private employers engaged in war work should furnish to the United States Employment Service a complete statement of their needs for unskilled labor and make such supplementary reports as may be requested of them. All the Government departments represented on the War Labor Policies Board should assist in every way in securing such information.

5. An immediate campaign to secure the unskilled labor needed in war work shall be made by the United States Employment Service. Recruiting for such purposes in each State shall be limited to quotas of the total demand, calculated on the basis of principles to be recommended by the United States Employment Service and approved by the War Labor Policies Board. All recruiting shall be conducted so that withdrawals from nonwar industries shall be distributed as equitably as is practicable.

6. Distribution of the workers recruited shall aim at transfers for the shortest possible distances, and at the utilization of local supply so far as possible to meet local war needs.

7. For the purpose of equalizing the strain of transfers and adjustments of labor within local industrial communities the United States Employment Service shall encourage the formation under its guidance of community boards, upon which there shall be an equal representation of labor and of management, and shall cooperate fully with such boards in securing local quotas.

8. The War Labor Policies Board shall appoint a committee on labor priorities to direct the United States Employment Service as to the questions which may arise when the available supplies of any kind of labor are inadequate to meet the immediate demands; such committee shall in general follow the priorities determined by the War Industries Board.

9. The primary effort to enforce the foregoing program shall be through public presentation of the need of compliance with it as a war necessity. The full authority of the departments of the Government represented on the War Labor Policies Board, including the power to cut off supplies, should be exercised as far as necessary. The United States Employment Service shall provide all the requisite machinery for the continuous enforcement of the foregoing program and the prompt report of any interference therewith. A committee of the War Labor Policies Board shall be appointed, with authority to investigate reports of failure to comply with such program and to recommend appropriate action by the proper department of the Government.

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